

## EXTENSIONS OF REMARKS

MENTALLY HANDICAPPED  
PARTICIPATE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. FLORIO. Mr. Speaker, across the Nation, there are thousands of individuals with varying degrees of mental disabilities. But as many programs have indicated over the past few years, a disability need not be a handicap.

When it comes to putting the talents and skills of this part of our society to work, there are programs sponsored by community governments and funded in part by the Federal Government.

These programs do more for the participating individuals than just keep them occupied. Mentally disabled people can reap benefits from programs that make them a part of the community.

This trend toward bringing the mentally disabled back into the community is a recent one. The programs go against the old perception that the mentally disabled belong in institutions.

On the contrary, the mentally disabled belong out in the community. Programs, such as those encouraged by the Community and Family Living Amendments of 1985, give the mentally disabled a chance to demonstrate that they are a meaningful part of the society.

Community based programs boost the abilities of these disabled individuals by affording them a much larger measure of independence than is available behind the walls of an institution.

The programs bring the retarded into contact with the world and give them a chance to prove themselves, while at the same time bringing them back into society.

Activity is the key for these individuals and for the rest of society. Activity means that they learn valuable skills that they can use to live independently of their families, their doctors, and the government.

Indeed, the programs ultimately are cost-effective since they make these individuals contributors to society through employment training and other opportunities.

I am including below an article from the Washington Post describing the successes of several participants in programs designed to mainstream the mentally disabled. The successes of these individuals can be repeated throughout the Nation by continuing such programs and building upon the foundation of such programs.

The article follows:

[From the Washington Post, July 20, 1987]

RETARDED ADULTS WORK WAY INTO  
COMMUNITY

(By Evelyn Hsu)

Every weekday, Laverne Kenney and the three members of her crew wait outside

their homes for a van that will take them to work in Arlington's Ballston neighborhood.

Wearing bright orange safety vests, they mow grass, clear garbage and sweep the sidewalks. "I pick trash up, I pick dirt up, I help rake," said Kenney, 22, with a confident smile.

Kenney and her colleagues, most of whom are classified as severely mentally retarded, spent years in care programs that gave them little contact with the outside world. Their work may lack glamor, but it is a point of pride that brings them in touch with the community.

The "supported employment" program run by the Arlington Community Services Board offers retarded adults such as Kenney a combination of continuing job training and counseling that is to provide them with emotional support and everyday social experience.

Virginia is one of 27 states that have received grants from the U.S. Department of Education to start supported employment programs, said Janet W. Hill, director of the state Office of Supported Employment, a division of the state Department of Mental Health, Mental Retardation and Substance Abuse Services. Maryland has been given a similar grant.

Virginia's \$2.5 million grant covers 1985 to 1990 and is earmarked for demonstration projects that localities eventually will fund.

The state's goal is to move about half the approximately 5,000 people currently in day care programs for the retarded or mentally ill into supported employment within five years, Hill said.

But the approach has engendered debate regionally and nationally. One enthusiastic expert likens it to the civil rights movement, saying it will "liberate" the severely mentally retarded from day care centers. But some parents are appalled at what they see as a campaign to push their handicapped children into a world where they cannot cope.

The conflict is vividly illustrated in Arlington, where the Community Services Board wants to increase supported employment programs and in the process cut back a day care program for retarded adults.

The changes are strongly opposed by parents with children in a day care program run for the county by the private, nonprofit Woodmont Center for Vocational Services. The North Arlington center serves 31 clients who range in age from 23 to 65 and work at tasks such as making doormats and stuffing envelopes.

The services board, which oversees county- and state-funded programs for the mentally retarded, wants to cut the county-funded number of clients it refers to the center from 31 to 13 by next March. Most of the other clients would be shifted to supported employment programs.

Along with the Ballston crew is a group that works as shop helpers at Koons Ford in Falls Church, and a new clerical support crew soon will be employed at the county courthouse.

Parents who have objected say their children need and enjoy the more sheltered environment at Woodmont and that their concerns have been treated insensitively.

"We don't feel our son is emotionally and mentally capable of going out into the work place," said Martha S. Byers, whose son Ellis has been a client of the center for 15 years. Social service officials never personally contacted the family to explain the proposed changes, Byers said. Other parents say they were never consulted about the changes. "We feel like we've been kept in the dark," said one parent.

Adding to the parents' distress are bureaucratic concerns.

As do many of the clients at Woodmont, Barbara S. Woodward's son Douglas, 31, lives in a nonprofit group home in Arlington that requires his placement in some type of day program as a condition for living in the shared quarters. If her son, who has had an unsuccessful job stint, is shifted into the new work program but fails at the job, Woodward fears, he also may lose a place to live.

"Woodmont is a place for our sons and daughters who fall through the cracks," she said.

Another consideration for the parents is their own advanced age. Many are in their sixties, seventies and eighties. "We've been through the mill," said Woodward, who describes herself as "just under 60" and "one of the babies" among the parents.

"My son is in a good group home and in a nice program, and I think if I drop dead tomorrow he's going to be well taken care of. Now everything gets all stirred up," she said.

Gary A. Boyd, executive director of the Community Services Board, said the parents' fears are unfounded. The board is committed to maintaining a program, although a much smaller one, at the Woodmont Center, he said. If a candidate for the work program cannot make the adjustment, another placement will be found for him or her, though not necessarily back at Woodmont, Boyd said.

In response to parents who say they were surprised by the program changes, Boyd said they have been informed over the past four years "at parent meetings, large and small, of the philosophic shift to supported employment." Parents will be notified and consulted before their child is placed in the job program, he said.

However, the nature of some of the tasks, such as picking up litter and doing some janitorial work, has disturbed some parents. "I'm sure as I can be that I would not agree for [my daughter] to be included in any enclave to clean WCs or johns," said one parent in a letter to the Arlington County board.

To Boyd, the type of work offered is irrelevant. "The dignity of the work . . . is more important than its alleged blue-collar aspect," he said.

Francis G. Short, whose daughter Francine is part of the Ballston maintenance crew, said the type of work was not as important as her becoming "a productive citizen."

"I don't care what she's doing. I wanted her to earn a living. She's paying federal and state taxes now," Short said.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.  
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

His daughter earns about \$70 every two weeks. At the Woodmont Center, she earned about \$5 every two weeks, he said. The new program allows his daughter "to get around, do different projects," said Short.

At the center, "she was sitting in a chair every day. She wasn't learning anything. She'd gone as far as she could go."

Also, proponents argue that supported employment programs cost less than more conventional care centers. In 1985, the average annual cost in Virginia for a client in a day activity center was \$5,900; the average annual cost for a supported employment client was \$3,100.

A supported employment program also may lead to improvements in physical health and communications skills, according to a 3½-year study conducted by Paul H. Wehman, a professor of special education and rehabilitative medicine at Virginia Commonwealth University/Medical College of Virginia.

"We have an accumulation of research that shows that people with severe physical, mental and emotional problems can work competitively in real jobs if they are given job coaches and job site support," said Wehman, whose study examined the responses of 25 participants.

To Hill, supported employment is a natural extension of past changes in the treatment of the retarded. From assuming that the retarded could do little, "we got people into vocational settings and said yes, they can learn and will show up. [Now] we've realized we can do this in the community," she said.

#### AIDS: MATERNITY WARD MEASURES

#### HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. GINGRICH. Mr. Speaker, a recent article appeared in the London Sunday Times that describes the hygiene measures being proposed for British maternity wards to combat the spread of AIDS. I urge my colleagues to read this interesting article.

[From the London (England) Sunday Times, May 31, 1987]

#### AIDS ALERT IN MATERNITY WARDS

The AIDS epidemic will soon force a change in the way British babies are born—meaning the trend towards natural childbirth over the past decade will be reversed.

A study by a top group of gynaecologists has concluded that the spread of the virus must mean extra safeguards in the nation's maternity wards for all mothers—not just those carrying the virus.

Although only a small proportion of mothers are infected at present, the working party of the Royal College of Obstetricians and Gynaecologists says the idea that virus carriers will remain rare—and can be identified easily and segregated in special units—is "totally unrealistic".

Instead the group, which includes representatives from the Royal College of Midwives and the British Paediatric Association, argues that doctors and midwives must make greater efforts to tighten up controls against infection.

Guidelines likely to be issued soon include:

Strict enforcement of the practice of wearing a full-length gown, with a plastic apron underneath, at births.

Boots or plastic overshoes should be worn by all those directly involved in births.

Protective clothing and contaminated footwear should be changed before staff move to other patients or areas.

Hospitals should stop providing baths in maternity wards and switch to showers. If baths are still used they should be "decontaminated" afterwards.

In post-natal wards, mothers should disinfect toilet seats before use with an alcohol-impregnated wipe.

For women either known or suspects to be infected with the AIDS virus, proposals for ever more stringent and psychologically chilling hygiene measures are understood to have been agreed by the working group.

During labour and delivery—or while doing stitches later—staff should wear protective clothing including cap, eye guards, mask and boots. Husbands or other companions during labour should wear an apron and gloves before handling the baby.

The delivery suite, and all equipment that may have come into contact with body fluids, must be disinfected afterwards by workers also wearing protective clothing. Segregated toilets should be provided, and the "carrier" mothers should be advised not to handle other babies.

The working party argues that if hygiene can be improved generally it will have the humane effect of helping to head off local proposals for mothers carrying the virus to be isolated completely. It will also help to reduce the risk of contamination from unidentified carriers.

The proposals reflect the experts' urgent desire to reinforce warnings to health workers and the public of the severe hazards presented by the AIDS virus.

Labour and delivery, they say, constitute an obvious risk because of the occasional uncontrolled flow of body fluids, especially blood.

Less generally known is the fact that the virus can survive in dried blood. All guidelines for safe practice in delivery suites should take this into account, they argue.

The proposals are likely to dismay women's groups and others who have campaigned in recent years for hospital childbirth to become a more homely procedure. The moves may also increase demand for home births.

Beverly Beech, of the Association for Improvements in the Maternity Services (Aims), co-organiser of the First International Conference on Home Birth at Wembley in October, said last week: "If we are going to be treated in hospital like pieces of potentially lethal humanity, the sooner we get out, the better."

"If they want to stop women getting the disease, the most effective way would be to get more of them having their babies in their own homes."

Robert Atlay, honorary secretary of the college, says efforts to promote a comfortable and relaxing atmosphere on labour wards will continue "although even higher medical standards must now prevail."

President Reagan is today expected to call for an expansion of the AIDS testing programme. He will call for "routine" testing for couples who want to get married as well as prisoners, hospital patients and aliens.

#### DOCUMENTS AND EMIGRATION—ANOTHER STUMBLING BLOCK?

#### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. HOYER. Mr. Speaker, when a Soviet citizen applies to emigrate from the Soviet Union, he begins a long and laborious process. Many forms must be filled-out and many documents obtained before a person can go to OVIR and present their application for emigration. An undotted "i" or an uncrossed "t" can easily result in the application being thrown out.

Yet, Mr. Speaker, my talks with refuseniks in Moscow revealed a growing problem with OVIR refusing to accept any applications for emigration to Israel when the applicants cannot confirm the absence of any material claims from those relatives remaining in the Soviet Union.

Several refuseniks brought this problem to my attention and I ask unanimous consent to share this information with my colleagues:

DEAR SIR: We know about the level of your interest and anxiety with respect to Jews-refuseniks in the USSR and we greatly appreciate it. Please pay your attention to the following acute and continuously broadening problem.

Soviet visa and registration authorities (so-called OVIRs) refuse to consider (or, in some cases, refuse to comply) the applications of many citizens which intend to go to Israel due to these citizens cannot submit documents confirming the absence of any material claims from the side of those relatives which remain in the USSR.

The lack of the ability to submit these documents in OVIR has no linkage with the existence of real material claims. Having no material claims the relatives refuse to register this fact for putting obstacles against the emigration.

In the Soviet civil law there is no formal procedure to demand and obtain the necessary documents. Moreover, the relative's declaration itself (if it would be written) has no legal significance and force—in accordance with Soviet law, the document's author retains his right to appeal in Court for demanding the execution of any obligations which the emigrant has.

However, according to Point 7 of Decree (Ukaz) "On the order of considering propositions, claims and declarations of citizens" of Presidium of Supreme Soviet of the USSR, OVIR themselves must demand and obtain documents needed for considering the application cases, but they violate this Decree and refuse to do it.

The clause 72 of "The State Notary Public Regulations of RSFSR" provides the possibility for relatives to inquire about the fact of existing non-executed obligations by means of notarial office. But even if the notarial conclusion takes place OVIR refuses to receive these documents for the consideration.

Attempts to use the Soviet Civil Law procedure for ascertaining the judicial fact (based on clauses 245-250 of the Civil Judicial Code of the RSFSR) are also failed. The courts are definitely guided by the private instructions of the higher authorities and refuse to ascertain the fact of the ab-



sense of non-executed obligations for those who want to emigrate in Israel.

Thus the right to quit the USSR is placed in dependence of submitting the relative's declaration in spite of these declarations having no legal significance.

OVIR with their duty to demand and obtain these statements violate the mentioned Decree of Supreme Council and refuse to demand thereof. The other possibilities to ascertain the fact of the absence of obligations are inaccessible or disregarded in OVIRs.

The result of this practice is: the problem of emigration becomes dependent not on Law, but on arbitrary decisions of relatives.

This is the heaviest violation of the citizen's right to quit the country of residency which was specified in the Clause 12 of "Civil and Political Rights Pact", in spite of the USSR's membership among those states which signed the Pact.

In connection with stated above we ask for your assistance in front of related Soviet authorities for raising and resolving the following problems;

(1) To develop the legally valid procedure for resolving the mentioned situation and to put it into practice according to the legal order.

(2) Before this procedure will go into force—to resolve our problem with relatives by any legal means.

With many thanks,

Alexander Zonis, Alexander Gashunin,  
Miron Zilberbrand, Rola Shtein, Pavel  
Morozov, Nadezhda Fradkova, Aleksey  
Lorenson, July Stolyar, Boris Chernobilsky.

#### THE INTERNATIONAL FIGHT AGAINST AIDS

**HON. JOHN EDWARD PORTER**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 27, 1987*

Mr. PORTER. Mr. Speaker, the recent Third International AIDS Conference generated a flurry of media coverage on the deadly disease. Cautiously optimistic stories of research into promising drugs and domestic debate on testing dominated the headlines. While some of that coverage provided more heat than light, this much is now clear: Every effort must be made to contain the spread of AIDS, not only here at home but in Africa and other nations where the killer virus has reached epidemic proportions.

While the United States leads the world in the number of officially reported AIDS cases, experts agree that millions of cases are unreported in the Third World, especially, in Africa. The virus has spread rapidly there, with estimates showing at least 50,000 dead from AIDS and as many as 10 million more already infected.

Tragically, most Africans infected with the HIV [human-deficiency virus] will develop AIDS and die, and most will be struck down in the prime years of life between 20 and 39. Because the disease spreads most quickly in an urban setting and the more educated Africans congregate in the cities, it is the educated young Africans who are disproportionately affected.

These are the same young Africans—teachers, scientists, government officials, and other

professionals—who are charged with leading their countries' development. Their untimely deaths will mean widespread unrest and destabilization throughout sub-Saharan Africa. As a recent report by the Panos Institute stated, "the political, social, economic and psychological impact of this gathering death-march cannot be underestimated."

Further, the AIDS virus in Africa is transmitted much more readily throughout the general population. Unlike Europe and North America, where AIDS has been linked principally to homosexual practices and intravenous drug use, in Africa the dominant means of transmission is heterosexual contact. There is an urgent need to study and contain this type of transmission, which would be devastating if it were to prevail worldwide.

Unfortunately, most African and other Third World nations are inadequately prepared to respond with preventive measures such as public education and blood screening, the most effective ways to arrest the spread of AIDS. Clearly, it is in our national interest as well as that of our allies to get solidly behind the international effort to combat the disease, not only through research but by supporting organizations that are waging the worldwide battle against AIDS: the Agency for International Development [AID] and the World Health Organization [WHO].

Last year, WHO in conjunction with AID established its Special Global Programme for AIDS. This program is helping to provide education, training of health care workers, low-cost diagnostic procedures and blood donor screening. In addition, WHO will establish international standards for exchange of information, epidemiology and research.

I am sponsoring an initiative to provide an additional \$25 million in 1988 U.S. funding for the international AIDS effort, to be evenly divided between AID and WHO. These moneys would be shifted from other areas of our foreign assistance budget and would not increase overall spending. In fact, our total foreign assistance budget will decrease in fiscal year 1988. This amount exceeds the administration's \$14 million proposal, but pales next to the \$970 million earmarked for domestic AIDS research.

Why should America spend millions to help fight AIDS in the Third World? Simple. AIDS is rapidly becoming a disease without borders, one that threatens many developing nations and U.S. allies. AIDS in Africa demands international attention due to its rapid and widespread transmission, a phenomenon which has led many experts to compare it to the Black Death that claimed 25 percent of Europe's population in the 14th century.

We cannot simply shut our doors to this menace. We must not only participate in but lead the international fight against AIDS—before it condemns millions more both in Europe and here at home to certain death.

#### TRIBUTE TO HELEN DOOLITTLE JOHNSON

**HON. RONALD V. DELLUMS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 27, 1987*

Mr. DELLUMS. Mr. Speaker, I rise to honor a pioneer in my district, Helen Doolittle Johnson, on the occasion of her 75th birthday. Ms. Johnson, born in Jamestown, ND, has been a fighter for the rights and dignity of women, ethnic minorities, and the underdogs of society all of her life. She was one of two women west of the Mississippi who, through civil disobedience in the dean's office, fought her way into the North Dakota State College School of Architecture.

Through the terrible drought and depression years in the 1930's, Ms. Johnson worked with the Farm Labor Party of North Dakota that organized farmers to work cooperatively to save their farms from foreclosure and crop failure. As a result, North Dakota was one of the first States to achieve State crop insurance.

When she moved east, she worked with the American Labor Party and Vito Marcantonio to "clean up" Tammany Hall and continued to work throughout the next two decades with other outstanding civic leaders such as New York City Mayor Fiorello LaGuardia, Mrs. Eleanor Roosevelt and Mrs. Paul Robeson. She worked with the Progressive Party to forward the issues championed by Henry Wallace in his 1948 bid for the Presidency.

It was common in New York in the 1930's for black and white friends, walking together, to be randomly attacked by gangs. Such an attack propelled Ms. Johnson to work in the civil rights movement, to change the attitudes of discrimination, through pickets and educational work.

She worked during the war to raise money for the New York National War Fund and E Bonds. After the war, she helped raise money to feed Italian children through the American Society for Cultural Relations with Italy.

When she moved to Berkeley and Oakland in the early 1970's, she continued to work on the pressing issues of civil rights, labor rights, voter rights, and other good government issues by establishing the National Women's Political Caucus as well as being an active member of these organizations: Alameda County Democratic Central Committee; Senate Director, 12th Assembly District; Californians for Democratic Action; Berkeley Democratic Women's Study Club; Alameda County Democratic Women's Study Club; Montclair Greater Oakland Club; Berkeley Democratic Women's Forum; Democratic United Campaign, as well as serving key functions on the electoral campaign committees of our leading elected representatives.

Ms. Johnson is a modern wonder woman: wife to Roy Aldo Johnson, mother to Dagny and Teckla, grandmother of four, working woman, organizer, leader, champion of just causes. Her exemplary citizenship makes me proud of the Eighth Congressional District and the United States. Please join me in saluting her.

# LITERACY CORPS ASSISTANCE ACT OF 1987

**HON. JAMES J. FLORIO**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. FLORIO. Mr. Speaker, I would like to focus attention on legislation I am introducing today to establish a corps of literacy tutors in our colleges and universities. The Literacy Corps Assistance Act of 1987 will provide startup grants to colleges and universities to establish academic courses in which undergraduates would go out into the community and tutor reading, writing, and mathematics to illiterate individuals.

Services would be provided by the students to community entities such as schools, Head Start centers, prisons, agencies serving youth, handicapped, disabled veterans and after-school programs. At the same time, the student tutors would gain from the practical experience a tutoring course would provide while doing their part to help a problem that is damaging to our Nation's competitiveness.

Mr. Speaker, studies indicate that 27 million Americans cannot read a newspaper, cannot fill out a job application, cannot maintain a checkbook or understand the warning label on a bottle of medicine. In short, our Nation has 27 million people that form a class of functional illiterates that are uneducated, untrainable, and economically dependent. And these numbers are growing every year. The Department of Education estimates that, every year, 2.3 million more illiterates, including high school dropouts, unlettered pass-along graduates and immigrants, are added to our society.

We are paying a high price in our Nation for this unfortunate deficiency. As chairman of the House Subcommittee on Commerce, Consumer Protection, and Competitiveness, I am concerned that our Nation's competitiveness is being eroded by the presence in the workplace of millions of Americans who are functionally or technologically illiterate. There is a direct correlation between the number of illiterate adults unable to perform at the standard necessary for available employment and the money that is allocated to child welfare costs and unemployment compensation.

The total costs related to our Nation's literacy are estimated to exceed \$225 billion annually. Chronic unemployment is a further problem that illiterate individuals in our Nation need to deal with. Up to 75 percent of the unemployed lack the basic skills to get a job or be trained for a job.

Disturbingly, Federal funding for literacy programs has not been sufficient to address a problem reaching mass proportions. Federal, State, municipal, and private literacy programs have only been able to reach 5 percent of the total illiterate population. The annual amount of money spent by our Federal Government for this problem amounts to \$17 per person for a total of \$352 million. The Department of Education estimates that only 2 million people are reached annually by these programs.

The total cost of illiteracy to our Nation cannot be measured accurately. However, our Nation is paying dearly in lost productivity and human misery. We hear of sad stories of

people suffering tragedies because they could not read: The industrial worker killed because he could not read a warning sign; the mother who gave her sick child pink detergent instead of stomach medicine because she could not decipher medicine labels; the mother who thought she was signing a routine field trip permission slip for her daughter only to discover that she had relegated her daughter to a home for the retarded.

The Literacy Corps Assistance Act will provide up to \$25,000 per year to colleges and universities in order to establish the courses that will be crucial to this program. Students that enroll in the three-credit elective courses would dedicate 6 hours of their time each week to tutoring in the community. The courses would be led by college faculty and student supervisors. The administration cost of the program would be covered by the grants. However, the program would soon become self-supporting as tuition funds for the courses begin paying the administrative and salary expenses.

Senator EDWARD KENNEDY has introduced the Literacy Corps Assistance Act in the Senate. Its intent is reminiscent of the goals of the Peace Corps Program President KENNEDY fostered. It is based on a model program called the Washington Education Project begun by Mr. Norman Manasa in 1969. The program has run in the University of Miami, and at St. John's University in Queens, NY, funded by private corporations. It is scheduled to begin at several other colleges in the fall.

There are over 10 million college students in this country who have the ability and the knowledge to lend a helping hand to the unfortunate 27 million Americans who are illiterate. Even if only 5 percent of these students participated in this program, this would create an indestructible force of literacy tutors who can reach out and contribute their knowledge to the good of our society.

I urge my colleagues to support this important legislation.

## A TRIBUTE TO MR. STEPHEN BARTOSZ

**HON. BENJAMIN L. CARDIN**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. CARDIN. Mr. Speaker, I rise today to recognize the remarkable achievements of Stephen Bartosz, a resident of Baltimore, MD. On June 12, 1987, Mr. Bartosz was accorded the rank of quartermaster, the highest award in sea exploring, by the Boy Scouts of America.

In addition to his new rank of quartermaster, Mr. Bartosz previously was recognized as an Eagle Scout. Few young men achieve either of these ranks, fewer still have the fortitude and determination to achieve both.

The requirements of the rank of quartermaster reflect the commitment of all scouts to serving their community. Not only must the quartermaster candidate learn signaling, life-saving and piloting, but he must also teach these skills to others. While the awards and ranks are given to the individuals, the true

winners are the members of the Scout community.

Mr. Speaker, I invite you and all of my colleagues to join me in recognizing Mr. Bartosz' achievements, congratulating him on his accomplishments, and thanking him for his service to others.

## NON-LAWYER LEGAL ADVICE

**HON. NEWT GINGRICH**

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. GINGRICH. Mr. Speaker, in a recent article, William Raspberry pointed out the positive effects of W. Clark Durant's proposal to allow people without law degrees to provide legal services. Durant, Chairman of the Legal Services Corporation, feels that such a move would "maximize access to justice" by providing the poor with legal advice and counsel without having to pay the fees demanded by the legal profession. I think my colleagues will find Mr. Raspberry's article from the Durham Sun interesting and informative.

[From the Durham Sun, June 26, 1987]

## NON-LAWYERS CAN HELP MORE POOR PEOPLE RECEIVE LEGAL SERVICES

(By William Raspberry)

WASHINGTON.—I frankly wasn't sure whether to take seriously W. Clark Durant III's proposal for allowing non-lawyers to provide legal services.

After all, Durant, a conservative Republican named by Ronald Reagan as chairman of the Legal Services Corp., supported the president's call for zero funding for the agency that is supposed to oversee legal services to the poor. Was his call for "opening up" the legal profession just a way of ducking responsibility—much like Reagan calling for more voluntarism while cutting federal programs?

After a long talk with the 38-year-old Detroit, I'm convinced he means it.

"When I came to the Legal Services Corp., I made a commitment that my whole thrust would be to find ways to maximize access to justice," he said during one of his frequent trips to Washington. "The problem is not a shortage of lawyers. The problem is that the organized bar has built a dam across the river, and now it is complaining about the shortage of water in the fields."

Durant would remove the dam by allowing non-lawyers to handle much of the routine work that now must be done, usually at greater expense, by lawyers.

But would that really increase "access to justice," or would it merely expose the poor to third-rate counsel?

The real choice for the poor, he says, is not between superlatively qualified lawyers and marginal ones. It is between some assistance and none at all.

As for the contention that advice from non-lawyers might not always be the best, Durant has two answers. The first is that non-lawyer specialists in, say, landlord-tenant disputes might be of more practical help than a fully experienced patent attorney. For the second, he returns to his analogy of the dammed river. "It's a matter of no water, or letting the water flow, knowing that some of it is not 100 percent pure. At



what price do you build your dam and keep the crops from getting any water at all?"

The key reason for the dam, he insists, is to protect the lawyers' monopoly. He offers three of his pet examples:

Rose Palmer of Pittsburgh was doing an excellent job helping women in divorce proceedings, spouse abuse cases and so on. She wound up with a UPL (unauthorized practice of law) case against her.

Rosemary Furman, a former legal secretary and court stenographer in Florida, was held in contempt of court and threatened with jail for helping clients fill out legal forms for such non-controversial procedures as wills, name changes and uncontested divorces.

Peggy Muse, described by one reporter as "the country's most successful independent paralegal," was threatened by the Oregon State Bar and wound up signing an agreement not to accompany clients to court, draft documents for them or give them legal advice.

"Most of these UPL cases are filed by the bar," Durant says. "It's not the clients who are complaining but the competition. The first thing I would do is eliminate the UPL statutes—just eliminate 'em. The greatest burden of so many of the licensing rules is really on the middle and lower classes, because they restrict competition, raise prices and hamper the ability to create a more participatory marketplace with more consumer choices."

He would not eliminate law school or bar examinations. "If a person wanted to take a bar exam and hold himself out as a specialist, I'd say more power to him. But if someone is demonstrating the ability to deliver a product in the ordinary course of things, and that person has not gone to law school, I would not stop them. I would encourage more such people to get into the business. You shouldn't have to spend three years in law school at a cost of many thousands of dollars and then pass a comprehensive bar examination if all you want to do is handle landlord-tenant disputes or domestic disputes.

"My law partner, a young woman by the name Kirsten Frank, is very active in a thing called Legal Advocates for Women that helps in spouse-abuse cases, that sort of thing. They have been instructed by the state bar that they technically can't give advice; they can only say what the alternatives are. Well, in fact, many of the people who work in this program would be better advocates than your patent lawyer."

No doubt. Still, isn't there something odd about the head of the nation's legal services program calling not for the best lawyers to serve the poor but for a floodtide of nonlawyers? Isn't that just another show of contempt for poor people?

Not at all, Durant insists. "The poor and everybody else will be better off with a multiplicity of people delivering these services. I'm trying to look at this not as a Republican, not as a conservative, but as someone interested in solving the problem of access to justice."

## TRIBUTE TO ULYANA GERMANYUK

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. HOYER. Mr. Speaker, on July 3 of this year, a very courageous lady and tireless advocate of religious freedom in her homeland, Mrs. Ulyana Germanyuk, died of stomach cancer in a hospital in the Soviet Union. Mrs. Germanyuk was a leader of the independent Baptist Church in Soviet Ukraine and a member of the Council of Prisoners' Relatives. Like many of her fellow believers, she suffered as a result.

After years of harassment and persecution for her activism on behalf of the independent Baptist church and its imprisoned members, Mrs. Germanyuk was herself arrested in July 1985, convicted of "violating the laws separating church from state," and sentenced to 3 years imprisonment. Her health began to fail precipitously, and in 4 short months her weight dropped from 180 pounds to 90. A number of physical ailments beset her, and she shuffled back and forth between the prison camp and the hospital. Regardless of her condition, every time she returned to the camp she was placed under the same grueling labor regimen.

Finally, on March 25 of this year, after an international outcry against her continued incarceration and mistreatment, Ulyana Germanyuk was released. But by then, it was too late. Surgery, just a short week before her death, resulted in the discovery of the cancer.

Mrs. Germanyuk left a husband, Stepan, and five children. We should all join in expressing our sympathy to them in their grief. Stepan is pastor of a Baptist church in the Ukraine, and has himself been imprisoned twice. Such cases as this remind us of the nature of the Soviet system, the fact that the system persecutes those who only want to practice their religion according to the dictates of their conscience and Holy Scripture. Despite the amnesty for political prisoners that was announced in February 1987, almost 100 unregistered Baptists remain imprisoned for their faith in the Soviet Union. There is no better way I can think of to honor Mrs. Germanyuk than for this body to once again call attention to those Soviet citizens who are imprisoned for their pursuit of religious freedom and to call upon the Soviet Government to extend its recently announced amnesty to all prisoners imprisoned for their faith.

## RODRIGO ROJAS' DEATH—ONE YEAR LATER

### HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. PORTER. Mr. Speaker, I rise to remind my colleagues of the tragedy that occurred last year in Santiago, Chile. The 19-year-old Rodrigo Rojas, a Washington citizen, was brutally killed last July 2 while visiting his native

land. Chilean soldiers broke up a scheduled demonstration, doused Rojas and his friend Carmen Gloria Quintana with gasoline, and set their bodies in flames. Rojas died 4 days later. Quintana remains in a Canadian hospital, 60 percent of her body covered with burns.

Last year the United States called for a thorough investigation by Chilean legal authorities into Rojas' death. In response to international outrage, one Chilean officer was arrested. His original charge of "unnecessary violence" was later reduced to a misdemeanor or charge of neglect. Reports indicate that this man has recently been promoted to captain.

Mr. Speaker, I am not satisfied with these results. The United States must not give up until justice is done in the case of Rodrigo Rojas and the thousands of others arrested, tortured and killed at the hands of the Chilean Government. Human rights and democracy must be restored in Chile.

## TRIBUTE TO RAYMOND SALATIEL NEVEL

### HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. DELLUMS. Mr. Speaker, I rise today in order to share with the Nation the great sense of loss we feel at the death of a distinguished artist, Raymond Salatiel Nevel. Mr. Raymond Nevel, who as a painter became better known by the name of Zala, a contraction of his middle name, was born in Vera Cruz, Mexico and raised in Mexico City. Although he was a resident of Oakland, CA for nearly 40 years, the early inspiration for his art sprung from his native Mexico, and his work was a celebration of his Hispanic past and a glorious expression of hope for the future and dignity of Hispanic peoples both in this country and Mexico.

In the cities of Oakland and Berkeley we were particularly blessed to have his striking and provocative murals painted in bold relief in many areas of the cities. He often involved his students and residents of the communities in his art, both as subjects and as collaborators. Zala's great interest in young people motivated him to volunteer his services in 1969 with a youth group called "El Teatro Triste" which was organized by the youth in the Fruitvale District. He later worked at Casa de la Raza in Berkeley as an art adviser and instructor where he helped organize a group of students to create a mural for the school. He was a noted teacher, and generally an inspiration to all who either had personal contact with him, or who had the distinct pleasure of viewing his work.

A chronicler of Zala's life once noted that Camus once said that "an artist's life is a search for a way back to a few simple truths he knew in the beginning." Such was Zala's life, and in searching for a rediscovery those simple truths, he strengthened the bonds between Mexico and the Hispanic community, and immeasurably enriched the capacity of all members of our community for a greater brotherhood and understanding of the common threads of our fragile humanity.

While the community will sorely miss the presence and inspiration of Zala, we are thankful that his works will continue to inspire us into the indefinite future.

### TALK ABOUT HEROES

#### HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mrs. SCHROEDER. Mr. Speaker, as the hearings of the long hot summer of 1987 unfold, we hear much about the definition of heroism.

I would like to bring to my colleagues' attention this column detailing the patriotism of a most distinguished Member of the other body, a man we can, indeed, look to for the definition of heroism.

[From the Rocky Mountain News, July 16, 1987]

#### AMERICAN HERO SHOWS HIS COLORS

(By Gene Amole)

The hero.

Like many Americans, I felt a surge of patriotism during the Iran-contra hearings. The closeup television camera gave millions of us an intimate view of an authentic American hero. He had served his country faithfully in the armed services. He was decorated for bravery. After the fighting, he came to Washington to render further service to the country he loves.

As we listened to his measured speech and watched the often-impassive expression on his face, we wondered what thoughts remained hidden behind his eyes. Certainly, though, this man had placed duty to country at the top of life's priorities.

His name is Sen. Daniel Inouye.

Unlike Lt. Col. Oliver North, he wore no uniform with campaign ribbons and decorations. Inouye's red badge of courage is hidden in an empty sleeve where his right arm was ripped off by an enemy hand grenade during World War II.

And unlike North, Inouye didn't lie, didn't deceive, didn't falsify or destroy documents to protect himself or anyone else. And he didn't violate his oath of office by breaking his country's laws because he didn't agree with how the government was being run.

The government certainly wasn't being run to Inouye's satisfaction in 1943 when he enlisted in the segregated Nisei 442nd Infantry Regimental Combat Team. While he was fighting the Nazis, his fellow Japanese Americans were being rounded up like cattle and herded into relocation (concentration) camps.

Before the war ended in Europe, Inouye had been wounded twice and was awarded the Bronze Star for valor and the Distinguished Service Cross for heroism. He was wounded and awarded the Order of the Purple Heart with oak leaf cluster. He lost his arm just two weeks before the Germans surrendered. He spent the next 20 months in military hospitals.

Even though Inouye fought in countless battles through the five long European campaigns, there was one that was burned forever in his memory. Part of an infantry battalion made up mostly of Texans was surrounded by the Germans. The 442nd was sent to rescue them. When the Niseis finally broke through, they had saved 211 of the 275 Texans who had been trapped.

The cost was high. Two hundred of the Nisei soldiers were killed, and 600 were wounded. When the war ended, the 442nd had received more decorations for bravery than any other American military unit.

On his way back home after the war, he entered a San Francisco barbershop only to be told, "We don't cut Jap hair." And during the Watergate hearings, John J. Wilson, the lawyer representing John Ehrlichman and Bob Haldeman, publicly referred to Inouye as a "little Jap."

We are now told that the joint committee conducting the Iran-contra hearings is again receiving racial slurs about Inouye. I guess everything that goes around, comes around. There is one constant in this whole mess, however. Inouye was a hero more than 40 years ago and remains one today.

#### THE LOSS OF A SELFLESS CITIZEN—GEORGE GOLMAN

#### HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. BRYANT. Mr. Speaker, on Sunday, July 19, 1987, George Golman, a distinguished citizen of Dallas who contributed unselfishly to his community and especially to the rights and appropriate care of the mentally retarded and mentally ill, died.

His passing is a tragic loss not only to his loving family, but also to all who were privileged to know him and to the countless people, all too often ignored and neglected by society, his tireless efforts served.

A profile, which appeared last week in the Dallas Times Herald, paints a portrait of George Golman as the humane and decent man he was, a man who will be remembered with fondness and gratitude by those whose lives he touched.

[From the Dallas (TX) Times Herald, July 23, 1987]

#### GOLMAN REMEMBERED FOR WORK AS VOLUNTEER

(By Pam Troboy)

George H. Golman of Dallas, who was buried Tuesday, fought for mental-health causes and the rights of the mentally retarded and will be remembered for his willingness to help other people, friends and relatives said Wednesday.

Golman, the retired co-owner of World Liquor Stores and Quik Way Food Marts, died of a heart condition Sunday at Presbyterian Hospital. He was 63.

Hundreds of mourners attended a service Tuesday at Temple Emanu-El Cemetery in Dallas.

"He was just a guy who could never say no to anybody," said Phil Shepps, a longtime friend and business associate. "He would help anybody on anything at any time."

Golman helped raise hundreds of thousands of dollars for Foster Children's Advocate Services and championed the rights of the mentally retarded, said his daughter, Sydney Burton of Seguin.

Golman was active in organizations that benefited children, especially retarded children, relatives said. He served on the boards of Community Homes for Adults and Special Care Career School, American Jewish Committee, Temple Emanu-El and Columbian Club.

He often traveled to Austin at his own expense to testify before state legislative committees for the mentally retarded and those in state homes, said friend and cousin Adlene Harrison, former chairwoman of Dallas Area Rapid Transit.

"He was a man who didn't know an enemy and thought everyone was special regardless of the walk of life they came from. He treated everyone with dignity whether they were a porter or a bank president," Harrison said.

Golman often visited young people in the Community Homes for Adults, she said. He also opened his home to them and to others new to Dallas, Harrison said. She said a "backyard-full" of people, many of them new acquaintances, joined the Golmans, for Father's Day this year.

A lifelong resident of Dallas, Golman and his wife, Ruth Hohenberg Golman, were childhood friends. They would have celebrated their 42nd wedding anniversary in September.

He was a graduate of Woodrow Wilson High School and attended Texas A&M College. He left school to join the Army and was sent to Europe during World War II. He was captured in Belgium during the Battle of the Bulge and spent the rest of the war in German prisoner of war camps, family members said.

After receiving a medical discharge, he joined Julius Schepps Liquors, leaving in 1968 to found World Liquor Stores and Quik Way Food Marts. He retired in 1984 and devoted his time to managing investments until his death.

In addition to his wife and daughter, he is survived by children Steven and Sandra Golman of Dallas, Rodney Burton of Seguin and Sally Golman of Denton; grandchildren, Scott Golman and Eric Golman, both of Dallas, Jeremy Burton and Carlyn Anne Burton, both of Seguin; mothers, Anna Golman Weinstein and Carlyn Ring Hohenberg, both of Dallas; brothers and sisters, Donald and Dolores Golman, Alvin and Marilyn Golman and Sydney and Richard Rosenberg of Dallas.

The family requests memorials be made to Community Homes for Adults, 10830 North Central Expressway, Dallas 75231; Special Care and Career Center, 3030 Fyke Road, Dallas 75234; or a charity of choice.

#### TURKISH OCCUPATION OF CYPRUS

#### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1987

Mrs. MORELLA. Mr. Speaker, it is always difficult to criticize an ally, particularly when that ally is as strategically important as Turkey. But Turkey's occupation of 40 percent of Cyprus is wrong and as the leaders of the free world, we cannot responsibly do anything other than condemn it.

Thirteen years after the Turkish invasion of this independent republic, an invasion in violation of every tenet of international law, practice, and behavior, there is a veritable wall across the island of Cyprus. Negotiations toward a peaceful settlement have been stalemated and the Turkish Government is, in fact, building up its forces on the island. This buildup is particularly irksome because U.S. military assistance is apparently being used for this



purpose, in direct conflict with section 620 of the Foreign Assistance Act. Section 620 stipulates that United States military aid to Turkey shall be used only for defensive purposes.

Mr. Speaker, Cyprus has been occupied for 13 years now. It is past time for our Government to stop abetting the occupation and, instead, to start actively opposing it.

#### PASSAGE OF H.R. 2941

### HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. SMITH of New Jersey. Mr. Speaker, Wednesday the House of Representatives overwhelmingly adopted legislation (H.R. 2941), to provide protection against catastrophic medical expenses under Medicare.

As a member of the House Select Committee on Aging, I have had the opportunity to carefully study the health care programs currently available to senior citizens, their weaknesses and shortcomings as well as their strengths. You may already be aware, Mr. Speaker, that an estimated 37 million Americans are uninsured—lacking even basic health care coverage with many other Americans underinsured. Concern for these millions of citizens is at the heart of what has become characterized as the "catastrophic health insurance debate."

Because I recognize that steps are needed to provide affordable coverage for catastrophic medical expenses—medical expenses which are extraordinarily high due to the nature of care necessitated—I was glad to support this important legislation with my vote, and I am pleased that we in Congress as well as the President have made catastrophic insurance a priority this year.

While there are competing versions of a catastrophic plan, Mr. Speaker, the final version adopted after consideration by both the House and the Senate may well be the largest expansion of the Medicare system since it began in 1965. The proposal that was used as a basis for floor consideration in the House on this issue was crafted as a compromise between two major House committees—the Ways and Means Committee and the Energy and Commerce Committee. As brought to the floor the plan included provisions to:

First. Expand Medicare inpatient services to cover unlimited inpatient hospital expenses after payment of a single deductible per year;

Second. Limit beneficiary out-of-pocket expenses under the optional Medicare part B Program for physician and outpatient care to an estimated \$1,043 in 1989 with automatic increases in the cap tied to Social Security COLA's;

Third. Add a new prescription drug benefit beginning in 1989 which would pay 80 percent of the cost of all federally approved prescription drugs, biological products and insulin, after the beneficiary has met a \$500 deductible;

Fourth. Specify that Medicare covers intermittent home health care visits 7 days a week for up to 35 days at a time, and allows an extension of the 35 day period if a physician certifies exceptional circumstances; and

Fifth. Require States to pay the premiums, deductibles and copayments required by Medicare A and B for Medicare beneficiaries whose incomes are at or below the Federal poverty line.

Under H.R. 2941, Mr. Speaker, new benefits would be financed by Medicare beneficiaries themselves through a \$5 or \$6 increase in the part B monthly premium—now \$17.90—and the creation of a new supplemental premium to be assessed on a sliding scale based on income. Under this proposal, then, the new supplemental premium in 1988 will range from \$10 per year for individuals with an adjusted gross income of \$6,000 to a maximum of \$580 for individuals with an adjusted gross income of \$14,166, and is adjusted incrementally for incomes in between.

While H.R. 2941 will provide Federal catastrophic health care coverage for the first time, other promising alternatives have been suggested and should not be overlooked. The House-passed bill is, of course, merit worthy legislation, yet I am concerned about some of the bill's aspects—especially the financing mechanism, that will impose an additional premium on our senior citizens. As a result, I supported an amendment (which was not approved) to the bill that, while taking more cautious steps, would have reduced total fees passed on to Medicare beneficiaries.

The amendment would have: First, provided a cap on out-of-pocket expenses of \$2,000 for covered expenses under Medicare parts A and B with two hospital deductibles per year; second, added identical home health provisions; third, added a prescription drug benefit under Medicaid for those 65 and over who are at or below 150 percent of the Federal poverty level with a \$50 deductible; and fourth, increased allowable assets for spouses of individuals receiving Medicaid nursing home care to prevent "spousal impoverishment" as does H.R. 2941. Financing for this proposal would come by increasing the part B premium up to \$28.10 per month as opposed to \$22 per month plus a supplemental premium. In 1988, then, the total annual premium under the amendment would be \$337 as compared to a maximum annual total of \$844 under H.R. 2941.

Given the importance of the proposed changes, I expect continued debate on the various provisions set forth as this bill is reviewed by the Senate. It is likely that some amendments and revisions will be considered—and perhaps adopted—before a final proposal is signed into law.

Nonetheless, Mr. Speaker, there is almost a unanimous consensus among the Members of Congress as to the need for a solution to the catastrophic health care crisis. While not everyone is agreed on the specifics, I am confident that after indepth review, a beneficial, affordable and workable plan will be approved.

### THE FAIRNESS DOCTRINE CENSORS NOTHING

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. DINGELL. Mr. Speaker, I draw the attention of my colleagues to a letter concerning the "fairness doctrine" from a former Chairman and former Commissioner of the Federal Communications Commission. They make a strong and convincing case that the "fairness doctrine" is needed to preserve a free and fair electronic marketplace of ideas.

Although the President has vetoed H.R. 1934—S. 742, legislation to codify the "fairness doctrine," an appropriate vehicle will be found to enshrine this vital public protection into statute.

The article follows:

#### THE FAIRNESS DOCTRINE DOES NOT CENSOR ANYTHING

(By Robert E. Lee, Former Chairman, Federal Communications Commission, Abbott Washburn, Former Commissioner, Federal Communications Commission)

The Post [editorial, June 24] condemns the Fairness Doctrine as "misnamed," "harmful," "repulsive." This is strong language indeed to describe a modest obligation that broadcasters assume when they receive exclusive rights to a public resource, the electronic frequency on which they transmit. It is a doctrine that has worked well for 37 years, was affirmed by Congress and the Supreme Court and only last month was reendorsed overwhelmingly by the Senate and the House of Representatives.

No less a conservative than Herbert Hoover, when the system of allocating frequencies was adopted in the 1920s, stressed: "Radio communication is not merely a business for private gain, for advertising or for entertainment. It is a public concern impressed with the public trust."

The Fairness Doctrine is at the heart of the broadcasters' public trusteeship. Quite simply, it says that as trustees of the spectrum broadcasters must devote a reasonable amount of time to the presentation of controversial issues of public importance—and do so fairly, by providing reasonable opportunity for differing viewpoints on the issues.

Is this too much to ask in exchange for an exclusive license that in today's TV facilities market can be worth hundreds of millions of dollars?

When former FCC chairman Mark Fowler first began attacking the doctrine, he suggested that broadcasters be required to pay license fees commensurate with the value of their licenses. This idea was quickly dropped.

Critics of the doctrine wrap themselves in the First Amendment. Yet the doctrine does not censor anything. On the contrary, in the words of the Supreme Court it adds to "the uninhibited marketplace of ideas. . . . It is the right of the viewers and listeners, not the right of the broadcasters, which is paramount."

Comparison with the print medium is invalid. Publishers are not granted by their government a highly profitable use of a limited public resource denied to all others. Newsprint is expandable. In this community, there are hundreds of small and large printing presses, thousands of mailing lists.

Air time, on the other hand, is rigidly finite. Anyone wishing to go on radio or TV must apply to a licensee for access. The broadcaster is the gatekeeper. As such, he accepts a duty to be fair in the presentation of issues. It is hard to overemphasize the importance of this responsibility at a time when most Americans receive most of their knowledge of news and viewpoints from radio and TV.

During our many years on the commission, we very seldom heard the actual station programmers complain of the doctrine. It parallels their own reasonable goals and, on occasion, provides them protection against extravagant pressures from special interest groups and advertisers. It did not "chill" Edward R. Murrow from attacking Sen. Joseph McCarthy. Nor do we believe it ever deterred any other serious commentator.

Regardless of what happens to the Fairness Doctrine codifying legislation, which President Reagan vetoed June 22, the doctrine in our view should, and will, continue to serve the public well until advances in technology make licensing no longer necessary.

#### WORLD PRESS FREEDOM COMMITTEE ISSUES REPORT CHALLENGING ACTIONS AGAINST FREE PRESS IN HONG KONG AND SINGAPORE

**HON. DANTE B. FASCELL**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 27, 1987*

Mr. FASCELL. Mr. Speaker, as we celebrate the bicentennial of the Constitution, we are constantly reminded of the importance of the first amendment which guarantees the right of free speech. Despite many challenges and onslaughts, our courts consistently have sustained this principle. We are indeed blessed with the opportunity to express our views and opinions freely, to criticize our Government and to advance new ideas. May this blessing long endure.

The principle of free expression of ideas has been incorporated into international agreements such as the Universal Declaration of Human Rights which provides in article 19 that:

Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive, and impart information and ideas through any media and regardless of frontiers.

The World Press Freedom Committee has been vigilant in its defense of the free press throughout the world. Consisting of 32 press organizations located in all continents, it has recently dispatched a delegation to Hong Kong and Singapore to challenge actions against the free press by those governments.

In Hong Kong, a revised press law authorized prosecution of the media for news reports deemed false by government officials. In Singapore, disputes over a government-demanded right of reply resulted in reducing the circulation of Time magazine from 18,000 to 2,000 and the Asian Wall Street Journal from 4,800 to 400.

This delegation consisted of Leonard H. Marks, chairman, treasurer of the World Press Freedom Committee and a former Director of the U.S. Information Agency; George Chaplin, recently retired editor of the Honolulu Advertiser; Cushrow R. Irani, managing director of the Statesman of India; and Lord McGregor of Durris, chairman of the last Royal Commission on the Press and currently chairman of Reuters Trust.

The delegation met with the press and officials in both countries and released a report which I would like to share with our colleagues.

The delegation concluded that:

1. The legislation recently adopted in Hong Kong has had a "chilling effect" on the free press and has restrained some journalists from exercising their responsibilities in reporting fully on matters which could cause the displeasure of governmental authorities.

2. In Singapore, the action against Time magazine and the Asian Wall Street Journal has caused a similar reaction. Moreover, it has made editors sensitive to the possibility that the authorities could impose restrictions on the circulation of their publications as reprisal for critical reports on governmental policies or actions.

3. These restraints on a free press and the exercise of journalistic freedom constitute a violation of article 19 and similar provisions in international treaties. Moreover, these restraints are contrary to the basic tenet for "the free flow of information."

4. The delegation recommends that these legislative provisions be repealed and that the World Press Freedom Committee and its affiliates present their views before such institutions as the United Nations and its various agencies and in other fora dedicated to the protection of human rights.

I would like to commend the World Press Freedom Committee and individual members of its delegation for their vigilance and hope that the respective governments will heed their admonition and repeal these repressive measures challenging the free press.

In this connection, I note that the government of Singapore has rescinded its restrictions on the circulation of Time magazine. It is a step in the right direction and should be followed by similar actions restoring the circulation of the Asian Wall Street Journal.

We in the Congress must be alert to the actions of foreign governments contrary to the principles of the Universal Declaration of Human Rights. I am hopeful that it will not be necessary for us to examine further into the situation, but that the officials of those governments will recognize their responsibilities under international law.

#### ANN SCHOENFELD: FIFTY YEARS OF DEDICATED SERVICE

**HON. STEPHEN J. SOLARZ**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 27, 1987*

Mr. SOLARZ. Mr. Speaker, I would like today to recognize the outstanding contribution of one of my constituents, Ms. Ann Schoenfeld, on the occasion of her retirement from the Social Security Administration.

Ms. Schoenfeld began her career on July 9, 1936 and retired July 3, 1987 after almost 51 years with the Social Security Administration. Ms. Schoenfeld is one of only a handful of employees who have spent more than 50 years with this agency.

Government service frequently represents a sacrifice and I think that the example set by Ms. Schoenfeld in her long and dedicated service to the people of Brooklyn should be commended. The Government needs more people like her who are willing to give up potentially more lucrative careers in favor of a lifetime of helping others and serving their country. I have heard that Ms. Schoenfeld was an inspiration to many of those who met her, and I hope that perhaps some were encouraged to enter this field, or to remain in it, by her shining example.

As a field representative in the Bushwick Social Security Office in Brooklyn, Ms. Schoenfeld was known for her unflagging interest and enthusiasm in performing her job. Her devotion to the highest standards of public service was known and admired by her coworkers and the Bushwick community which she served.

She will be greatly missed by everyone she worked with and everyone she helped during her many years of service. I proudly join the people of Bushwick in wishing Ann Schoenfeld the best of luck and health in her well-deserved retirement.

#### MILITANT WOLVES IN SHEEPISH DRAG, NO LONGER!

**HON. WILLIAM E. DANNEMEYER**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 27, 1987*

Mr. DANNEMEYER. Mr. Speaker, since the 1960's and the beginning of the sexual revolution, homosexuals have been striving to change American culture. These "normaphobes" demand that the average American view their aberrant behavior as equal to heterosexuality. They relentlessly seek acceptability and legitimacy. In fact, the homosexual American dream would be to amend the Civil Rights Act of 1964 to include sexual preferences to the list of nondiscriminatory characteristics such as race, creed and color.

But Mr. Speaker, those Americans who believe in the notion of "live and let live," as it applies here, should be aware of the militant nature of the homosexual movement. I commend the following article to the American public so they can read for themselves the extent of homosexual militancy. I commend this article, not because I necessarily believe that these threats would be carried out, but mostly because this published article represents the nefariousness of the homosexual mind.

Fortunately, Americans overwhelmingly view homosexuality in the moral and spiritual abyss in which it exists. I, for one, will never cease to affirm the heterosexual lifestyle as the only lifestyle able to sustain the human race.

The article follows:



[Excerpts of this highly significant article were reprinted in the June 25, 1987, issue of "The Wanderer", America's foremost national Catholic weekly]

**AMERICA: IS THIS THE GAY DECLARATION OF WAR?**

(By Michael Swift)

This essay is outré, madness, a tragic, cruel fantasy, an eruption of inner rage, on how the oppressed desperately dream of being the oppressor.

We shall sodomize your sons, emblems of your feeble masculinity, of your shallow dreams and vulgar lies. We shall seduce then in your schools, in your dormitories, in your gymnasiums, in your locker rooms, in your sports arenas, in your seminaries, in your youth groups, in your movie theater bathrooms, in your army bunkhouses, in your truck stops, in your all-male clubs, in your houses of Congress, wherever men are with men together. Your sons shall become our minions and do our bidding. They will be recast in our image. They will come to crave and adore us.

Women, you cry for freedom. You say you no longer are satisfied with men; they make you unhappy. We connoisseurs of the masculine face, the masculine physique, shall take your men from you then. We will amuse them; we will instruct them; we will embrace them when they weep. Women, you say you wish to live with each other instead of with men. Then go and be with each other. We shall give your men pleasures they have never known because we are foremost men too and only one man knows how to truly please another man; only one man can understand with depth and feeling the mind and body of another man.

All laws banning homosexual activity will be revoked. Instead legislation shall be passed which engenders love between men.

All homosexuals must stand together as brothers; we must be united artistically, philosophically, socially, politically and financially. We will triumph only when we present a common face to the vicious heterosexual enemy.

If you dare to cry faggot, fairy, queer at us, we will stab you in your cowardly hearts and defile your dead, puny bodies.

We shall write poems of the love between men; we shall stage plays in which man openly carresses man; we shall make films about the love between heroic men which will replace the cheap, superficial, sentimental, insipid, juvenile, heterosexual infatuations presently dominating your cinema screens. We shall sculpt statues of beautiful young men, of bold athletes which will be placed in your parks, your squares, your plazas. The museums of the world will be filled only with paintings of graceful, naked lads.

Our writers and artists will make love between men fashionable and de rigeur, and we will succeed because we are adept at setting styles. We will eliminate heterosexual liaisons through usage of the devices of wit and ridicule, devices which we are skilled in employing.

We will unmask the powerful homosexuals who masquerade as heterosexuals. You will be shocked and frightened when you find that your presidents and their sons, your industrialists, your senators, your mayors, your generals, your athletes, your film stars, your television personalities, your civic leaders, your priests are not the safe, familiar, bourgeois, heterosexual figures you assumed them to be. We are everywhere; we have infiltrated your ranks. Be careful when you speak of homosexuals be-

cause we are always among you; we may be sitting across the desk from you; we may be sleeping in the same bed with you.

There will be no compromises. We are not middle-class weaklings. Highly intelligent, we are the natural aristocrats of the human race, and steely-minded aristocrats never settle for less. Those who oppose us will be exiled.

We shall raise vast, private armies, as Mishima did, to defeat you. We shall conquer the world because warriors inspired by and banded together by homosexual love and honor are invincible as were the ancient Greek soldiers.

The family unit—spawning ground of lies, betrayals, mediocrity, hypocrisy and violence will be abolished. The family unit, which only dampens imagination and curbs free will, must be eliminated. Perfect boys will be conceived and grown in the genetic laboratory. They will be bonded together in communal setting, under the control and instruction of homosexual savants.

All churches who condemn us will be closed. Our only gods are handsome young men. We adhere to a cult of beauty, moral and esthetic. All that is ugly and vulgar and banal will be annihilated. Since we are alienated from middle-class heterosexual conventions, we are free to live our lives according to the dictates of the pure imagination. For us too much is not enough.

The exquisite society to emerge will be governed by an elite comprised of gay poets. One of the major requirements for a position of power in the new society of homoeroticism will be indulgence in the Greek passion. Any man contaminated with heterosexual lust will be automatically barred from a position of influence. All males who insist on remaining stupidly heterosexual will be tried in homosexual courts of justice and will become invisible men.

We shall rewrite history filled and debased with your heterosexual lies and distortions. We shall portray the homosexuality of the great leaders and thinkers who have shaped the world. We will demonstrate that homosexuality and intelligence and imagination are inextricably linked, and that homosexuality is a requirement for true nobility, true beauty in a man.

We shall be victorious because we are fueled with the ferocious bitterness of the oppressed who have been forced to play seemingly bit parts in your dumb, heterosexual shows throughout the ages. We too are capable of firing guns and manning the barricades of the ultimate revolution.

Tremble, hetero swine, when we appear before you without our masks.

**SCIENCE, TECHNOLOGY AND ECONOMICS IN THE 1980'S**

**HON. GEORGE E. BROWN, JR.**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1987

Mr. BROWN of California. Mr. Speaker, our decline in trade competitiveness is one of the great economic and political challenges facing our Nation in the remaining years of the 20th century. In debating this issue, I believe we must move beyond facile solutions of trade protection and currency controls to address the underlying causes of our problems. For example, we must find ways to raise our very low savings rate and to break down the isola-

tion of economic and investment policies from science and technology policies.

As a contribution to the national debate on competitiveness, I would like to share with my colleagues some remarks I delivered at the Brookings Institution's recent conference on issues in science and technology policy for the 1980's. In that speech I proposed:

First, the modification of banking and investment regulations in order to create a national capital banking system under the aegis of the Federal Reserve System that will encourage public and private investment better tuned to our long-term economic development than is the case today;

Second, that scientists and technical experts be included as members of national and regional governing boards of the Federal Reserve System;

Third, mechanisms for the coordination of science policy and economic policy between the Office of Science and Technology Policy and the Council of Economic Advisors;

Fourth, a Government chartered organization to expand secondary securities markets for investments in emerging industries;

Fifth, the creation of a national retirement account [NRA] with the power to make investments in both the public and private sector that would dramatically increase savings and capital for long-term investment. The NRA would be capitalized by surpluses in the Social Security OASDI trust funds that are expected to total \$2.2 trillion 30 years from now; and

Sixth, the repeal of Social Security payroll taxes when the returns from NRA investments are sufficient to provide for mandated Social Security OASDI benefits.

The full text of my speech is included here:

WHERE THERE IS NO VISION, THE PEOPLE PERISH: SCIENCE, TECHNOLOGY AND ECONOMICS IN THE 1980'S, A VIEW FROM CONGRESS

(By Congressman George E. Brown, Jr., June 7, 1987)

Good evening. Your host, Jim Carroll, asked me to speak on "Science and Technology in the 1980's: The View from Congress". In part because Brookings is so well known for the economic advice it offers, I am going to take the liberty of expanding the discussion to topics you may at first think totally unrelated to science topics like Social Security, pensions, capital investment, interest rates and the Federal Reserve Banking System. So the subject of my remarks will be Science, Technology and Economics in the 1980's. In light of the fact that few members of Congress have yet to see the connection between these areas, I will admit that these remarks are not the view from Congress but only a view: one which I hope, and of course am confident, that others will come to share if we gain the broad support of experienced government executives like yourselves.

Your experience can be a great help. How often have you felt frustrated by narrow agency missions or appropriations categories when you could see that co-operation between agencies would allow an approach to a problem in a new creative way? Yet, as we have learned from our experience with the Earthquake Hazards Reduction Act and the National Climate Program Act, inter-agency programs are often difficult to negotiate and difficult to maintain since it is naturally difficult for people to shed the per-

spective from which they have operated for years. We in the Congress need your help if we are to overcome the institutional blinders that stand in the way of our developing long-term policies bringing together science and technology in the solution of our economic problems and vice versa. So tonight I appeal for your help and experience not in the successes you may have had but in sharing the frustrations you have felt as our institutions and policies stand in the way of creative and effective actions on the national economic and technological crises we face in the coming years.

In the Congress, the frustrations we feel are even more onerous. As I am sure you are aware, the House alone has 21 standing legislative committees each with numerous subcommittees jealously guarding its jurisdiction that often overlaps those of other committees or subcommittees. And then there is "the other body" as we call the Senate, not to mention the executive with its thirteen cabinet departments and numerous agencies. It is a small wonder that any legislation ever gets passed. Indeed controversial legislation that might anticipate rather than react to our problems seldom does get enacted except in an atmosphere of national crisis such as the current near hysteria over our declining international competitiveness or the AIDS epidemic.

Before coming here I was asked to suggest what are some of the central concerns preoccupying the Congress today. There is, of course, the Iran-Contra scandal but to my mind the number one issue of Congressional concern is the issue of international competitiveness. How could it be otherwise when last year our trade deficit was over \$170 billion and when the trade balances of agriculture and our vaunted high technology industries were negative for the first time ever.

Over the coming years, the picture is even more worrisome. The MIT economist Lester Thurow recently pointed out, that our foreign debt to other nations will level off around \$1.8 trillion even if we cut our trade deficit by \$20 billion each year. It will cost about \$100 billion or 2 percent of GNP just to meet interest payments on this debt alone.

Thurow says that if we try to balance these trade deficits by devaluing the dollar alone, the average American will experience a 7.5 percent fall in his or her standard of living, the steepest fall since the Great Depression of the 1930's. Furthermore, even after balancing our trade account with other nations, our standard of living will continue to fall by 0.3 percent each year because U.S. productivity is growing far more slowly than its international competitors. Only Canada seems to share our economic lethargy. Last year the Senate Democratic Working Group on Economic Competitiveness reported that between 1982-1985 annual productivity growth in the U.S. was 0.85 percent while Japanese productivity grew more than three and one-half times as fast. Several Pacific rim nations like South Korea, Taiwan and Singapore are growing even more rapidly than Japan.

To put our foreign debt in perspective, we should recall that the largest third world debtors, Brazil and Mexico have total accumulated foreign debts of \$103 billion and \$97 billion respectively. The prospect of their default is shaking the foundations of international banking. However, just the annual interest on our foreign debt may well equal the total foreign debt of Brazil or Mexico. Domestically, last year personal

savings in the U.S. only amounted to \$83 billion or 2 percent of GNP. Thus interest on our foreign debt alone could easily amount to more than all our personal savings unless we act decisively and promptly.

Incidentally, since economics is full of jargon, I should clarify a few of the terms mentioned above. The trade deficit is the difference in value between goods and services that we export and those we import during a year. Since our accounts with foreign nations must always balance, if we have a trade deficit, then we must borrow money or import capital to cover the deficit. The sum total of all the money we have borrowed from other nations less what they owe us is our foreign or international debt. Foreign debt should not be confused with our national or federal debt which is the sum total of all the money the federal government has borrowed from individuals and other sources at home or abroad. The federal deficit is, of course, the excess of federal expenditures over revenues in a particular year and equals the amount of new money that the federal government has borrowed in that year.

To continue, in order to address our competitiveness problems, the first thing we have to do is to appreciate the magnitude of the task before us. You, in your individual departments, and I, as a member of the subcommittees on which I serve, are accustomed to dealing with individual programs ranging in size from possibly \$50 million to \$200 million. A substantial new program initiative may involve perhaps \$5 million to \$20 million. Even in the case of whole agencies like the National Science Foundation or NASA, the total budget may run from under \$2 billion to possibly \$10 billion. In our economy, with a GNP of \$4.2 trillion in 1986, even major adjustments in these individual programs or agencies, by themselves, will have little impact on our GNP or rebalancing our trade deficit. Only an integrated effort by the public and private sectors adding up to investments of at least \$100 billion/year can have a decisive impact on our national economy, productivity and competitiveness.

Let me give a concrete example. A 1985 National Academy of Sciences conference reported that the average Japanese manufacturing worker was at that time backed up by \$48,000 in technology and capital investment; in the United States the corresponding figure was only \$32,000. In order to bring our industrial plant and equipment up to the Japanese level we will require an additional investment over some reasonable period of time of \$320 billion for our 20 million manufacturing workers alone.

At present the disparity in capital investment per worker is growing—largely because Japanese savings rates are so much higher than ours. The President's Commission on Industrial Competitiveness, the Young Commission, found that from 1960 to 1982 Japan invested 32 percent of its GNP in fixed capital; the United States only invested 18 percent. In the same period Japanese productivity increased 5.9 percent annually; U.S. productivity only increased 1.2 percent. These figures are not abstractions; they manifest themselves on the shop floor. The National Commission on Jobs and Small Business found that 70 percent of manufacturing equipment in the U.S. is ten years or older compared with only 40 percent in Japan. This, in an era when a new generation of computers to operate computer integrated manufacturing systems appears every three years! How can we possibly expect to compete on such terms?

The relation of savings to investment in new technology is a topic the Congress is only beginning to address because its committees with their separate jurisdictions seldom, if ever, talk to each other. In a different area, although we share many common concerns, and although the interlocking of defense and civilian R&D is becoming a critical question bearing on competitiveness, in my twenty-four years as a congressman, I cannot ever recall a joint hearing by Armed Services and Science and Technology. This situation cannot continue; we must find ways to talk to each other and work together on common goals.

Now, however, there is a genuine sense of crisis and I begin to sense a closing of ranks between the members of these different committees. One of the ways this occurs is through the formation of non-legislative caucuses and task forces such as the Competitiveness Caucus, the Technology Policy Task Force, sponsored by the Science Committee, the House Republican Research Committee's Task Force on High Technology Initiatives or, in the Senate, the Senate Democratic Working Group on Economic Competitiveness.

Consider, for a moment, the division between the civilian and defense sectors of the economy. This is one of the topics on the agenda of the Technology Task Force. Since many of you are from the Department of Defense or from the Central Intelligence Agency, I know this topic will be of direct interest.

I am very concerned that 71 percent of federal R&D is now defense related because so many of our most advanced technologies that might be adapted for civilian use are classified. Sometimes they are classified even when we know that the Soviets know their details through espionage. Even then our classification policies foreclose their civilian application. It is a tragic waste of resources that technologies in photo-imaging, electronic intelligence gathering, data processing and transmission are unavailable to the civilian economy. One of my goals, as a member of the Intelligence Committee is to re-examine the policy regarding classified technologies to determine if they can be made more accessible to civilian users. I have just learned that the Committee's Subcommittee on Oversight and Evaluation is planning hearings which will examine how this might be possible for remote sensing technologies.

Then there is the growing concern over our military vulnerability to foreign suppliers. Foreign production of high quality, economical high technology products is occurring despite our attempts to restrict the dissemination of advanced technologies to other nations and despite legislation that favors American companies' access to technology developed by government laboratories. Robert Reich, the well known political economist from Harvard, has estimated, from data supplied by the Army Board of Science and the International Trade Commission, that 40 percent, by value, of the advanced electronics in American weapons systems are made in Japan. If the present trend continues, he projects that the proportion will be 55 percent in five years.

Currently, our policy responses are going all the wrong way. The Defense Science Board has recommended that the government spend \$2 billion on semiconductor R&D. About half that sum would go to the newly formed Sematech consortium from which foreign companies would be barred. In addition the Federal Technology Trans-



fer Act of 1986 gives preference to American companies in licensing federal technology, much of which was developed in national laboratories sponsored by DOD. But what is an American company? IBM with 40 percent of its employees living abroad or Fairchild Semiconductor owned by the French oil service firm Schlumberger? IBM and other thriving companies have discovered that they cannot survive on technologies developed and manufactured in the US alone. Technological innovation is a global enterprise.

Techno-nationalists, to use Reich's term, or technology protectionists, to use an older description, miss the fundamental characteristic of our information age. In Reich's words:

"Technology is not like a scarce commodity to be hoarded up. Its real value is only indirectly related to the gadgets it spawns at any given time. Nor does its value lie in information that can be conveyed through data, blueprints or instructions. The value of technological learning is a certain kind of knowledge founded in shared experience. It exists in people's heads. Thus the real worry is not that we are becoming dependent on Japan's high-tech gadgets but that we are losing the ability to transform new discoveries into gadgets nearly as efficiently as they can."

In short, we are losing sight of the fact that, in the post-industrial information economy, the wealth of nations is the command over the process of innovation. It is not the hoarding of treasure or the ownership of particular factories as in previous mercantilist or capitalist eras. If I get the drift of Reich's argument correctly, we ought to be encouraging Japan's Fujitsu to buy Fairchild and then make certain that we disseminate widely the new management, organizational and financing techniques that they bring to our shores. We should be encouraging foreign participation in Sematech not prohibiting it.

So how do we regain command over the process of innovation? Here we must turn to economics which is almost totally ignored by our science and technology policies just as science and technology are absent from consideration in our economic, banking and investment policies.

In April when I talked to a similar gathering sponsored by Brookings, I spoke in general terms of the need to integrate science and economic policy. Since that time my thinking has progressed so I intend to offer some specific proposals for your consideration. No doubt they will require some modification and adjustment as we proceed but I welcome your comments and suggestions since they will require considerable time and effort to implement. I hope that you will have the opportunity to pursue these issues further on Thursday when Herb Fusfeld joins you in the discussion of the Technical Enterprise and Public Policy.

First, I must emphasize that, although we are accustomed to speak of new technology as the fruit of scientific breakthroughs, it is economics that determines whether it is profitable to innovate. If it does not profit, under our free market system, we won't invest in the long-term development of new technologies. Instead we will put our money behind short-term adjustments to existing technologies or we will spend our money on the consumption of currently produced goods of the lowest cost and highest quality regardless of who sells them.

Recognizing that it takes at least ten years to develop a new technology and then

for that technology to achieve a substantial market share, the title of my talk about policies for the 80's is somewhat misleading. We must be looking now at the mid-1990's and beyond. To compete, our policy in the 80's must take aim at the year 2000.

How to do so? I have already mentioned the relation between savings rates and productivity growth. While we don't fully understand the connection yet, they appear to be linked, through the cost of capital, in a relationship that goes far to explain the difference between Japan's performance and ours. The economists Ralph Landau and George Hatsopoulos, in the National Academy conference report mentioned earlier, observe that in 1984 in Japan the average after tax cost of capital was 4.2 percent; in the United States it was 9.1 percent—over twice as great. Thus in Japan the time required for an investment to double its value is 17 years versus 8 years in this country. That is why the Japanese can afford to invest for the long-term in new technology whereas we cannot to nearly the same degree.

Looking at all three factors, savings rates, productivity and the costs of capital, together, we see that when the profits produced by a new technology can be reinvested and grow faster than the compounding cost of money, then it pays to invest in the development of the technology; otherwise it does not. In general economic terms, this says that, after allowing for depreciation or capital consumption, of existing plant, equipment and training, whenever the savings rate for a nation or for a sector of its economy is lower than the interest rate or cost of capital, then a society will buy existing technology off-the-shelf. Conversely, when the savings rate is higher than the interest rate, then society can afford to develop new technology from scratch because, in the latter instance, a new technology multiplies or doubles its market share of the economy in less than the time required for an existing technology to amortize and replace itself as measured by the doubling of a loan at average interest costs.

In these remarks, I have assumed that an innovation is developed and commercialized as soon as it is economically efficient or profitable to do so. There may be many political and social institutions that inhibit the free introduction of new technology, in which case the rate of innovation will be less than this ideal. There will also be instances when research and development proceeds even if it is not profitable to do so; however, these must always be isolated or a society would go bankrupt. Thus these developments will seldom achieve broad penetration in an economy unless the rate of reinvestable savings made possible by an innovation is greater than the interest rate cost of capital.

In this light, the relationship between savings rates and interest rates gives us a general measure of a country's competitive potential: namely, the ratio of its net savings rate to its average interest rate. Using this, a better mathematician than I could probably predict well in advance how long it would take one economy to outgrow another, not by merely extrapolating the current growth of GNP as we do now, but by forecasting those factors that make innovation profitable or unprofitable. By this measure, Japan with its high savings rate and low cost of capital is a formidable competitor, we are not. To a far greater degree than innate cultural differences, this situation probably explains also why the U.S.

excels in basic research and the Japanese have not—to date. U.S. government support for civilian research grants have emphasized basic research with an indefinite investment horizon; the Japanese have not—until recently.

Overall then, to maintain a competitive economy, the object of government policy should be first, remove institutional inhibitions to the introduction of new technology, second, to provide strong support for basic research whose horizon lies beyond even the lowest possible cost of money and, third, in support of development, to use monetary and fiscal policy to lower interest rates while increasing the supply of savings so that the investment horizon for new technology is greater than the time required to introduce the technology. Short of the latter, the only alternative is for the government to adopt a "pick-the-winners" industrial policy, an approach which assumes an expertise in commercial development that I don't believe exists in government bureaucracies.

Of course, it will not be easy to achieve these objectives. Traditional economic theory assumes that people are induced to save if interest rates are high. Thus to a certain extent the Japanese high savings and low cost of capital seem an impossible feat. We should study much more closely how they do it and then adapt some of their techniques and policies to our situation. It will probably require major shifts in our economic and financial institutions in order to replicate the Japanese success in our society. With this picture of the relationship between the cost of capital, savings and productivity in mind, what are the ingredients for merging science, technology, and economic policy?

First, consider the cost of capital. In the U.S., the cost of capital is largely determined by the Federal Reserve Board which is responsible for managing the nation's money supply. It does so by three mechanisms:

By setting the discount or interest rate on money it loans to banks that are members of the Federal Reserve System;

By setting the reserve ratio of cash held by a bank to the amount of money it can lend; and third,

By buying and selling U.S. government securities in the open market.

Even small changes in these rates affect the flow of billions of dollars. In times when "The FED" wishes to combat inflation, it restricts money supplies thus raising interest rates while inadvertently shrinking investment horizons very sharply. For example, if the interest rate ranges between 6 percent to 12 percent, as it has in recent years, then the time an investor requires to double his money changes from 12 to 6 years.

Yet, in spite of its immense power, the Federal Reserve Board is not required, or even urged to consider the impact of its decisions on technological innovation. Its organic act does recommend that various groups such as agriculture and business be included as public members of the boards of the twelve regional Federal Reserve banks. But scientists and technologists are not among them even though new technology is estimated to have produced nearly half the economic growth of our country over the last century.

The time has come, I believe to establish a national capital banking system which segregates the money supply for daily commerce and short-term working capital from

the money supply for long-term capital investment. These two money supplies should be managed separately according to their differing needs. Long-term monetary policy and capital supplies should be managed with special attention to investment in new industry, technological development, education and public works that may be needed at least ten years in the future. Therefore I propose that the Congress mandate:

1. That members of the Federal Reserve System governing boards include scientists and technical experts at both the national and regional level.

2. That monetary policies and decisions include assessment of their impact on the financing of long-term technical innovation and supporting public works. Further, presently mandated reports by the Chairman of the Federal Reserve Board to Congress on monetary policy should include a summary of these assessments.

3. That, in order to increase the supply and therefore also lower the cost of long-term capital, the Federal Reserve Board should establish lower cash reserve requirements (reserve ratios) on loans made by member banks for long-term industrial development and public capital investment. These long-term reserve ratios should be determined by the expected long-term growth in the value of the collateral backing these loans not by the current cash value of assets held by the borrower as is appropriate for working capital debt. In this way one sets the long-term reserves based on the long-term quality of a portfolio of loans not on its momentary value determined by fluctuations in demands for products in commerce today.

Now consider the Council of Economic Advisors' Annual Report to the President and the Office of Science and Technology Policy's alternating annual reports, the Five-Year Outlook on Science and Technology and the Science and Technology Report. The Council's report never mentions the impact of economic policies on science and technology nor does it consider how advances in S&T might affect our investment and employment. Correspondingly, OSTP's reports never discuss how our economic policies or our banking and investment regulations are affecting public and private investments in science and technology. Therefore I propose:

1. That the organic acts of the Council of Economic Advisors and the Office of Science and Technology Policy be amended to include specific recognition of the need to co-ordinate science, technology and economic policies and that these two bodies share necessary staff to carry out this common mandate.

2. That the Council and the Office be mandated to prepare an annual assessment of the impact of economic and monetary policies on basic and applied research as well as forecasting likely technological developments that may require large-scale capital investment for profitable development. Particular attention should be paid to technical developments that may attain substantial markets from one to two decades in the future.

3. That, in preparing their assessment, the Council and the Office shall draw on the expertise of the National Science Board regarding scientific and technical advances and on the Federal Reserve Board for its expertise, goals and policies in the management of the nation's long-term money supply and capital banking system that I described earlier.

4. That, in preparing their assessment, the Council and the Office shall consider not only direct technological and economic competitiveness but should consider global environmental changes, such as climate warming a decade or more in the future. These changes may foreclose or hinder some technical developments while creating markets for alternative technologies as a response to these anticipated changes.

Here I want to interject a comment. Too often we view policies to protect the environment as unmitigated costs. I believe this view is mistaken. On the long timescale of capital investment, environmental policies could create immense and highly profitable markets if we anticipate rather than resist the oncoming changes. However, just as is the case for meeting normal economic competition, if we want to capture the markets created by our need to protect the global environment, then we must create a banking system that contains a profitable investment horizon which includes the time when economic or physical climate changes are expected whether they come from the environment or from our international competitors.

For example, if we want to prevent the large temperature changes that will occur if fossil fuel use continues to grow, then there will be a very large market for energy conservation devices as well as non-fossil forms of energy; on the other hand, adaptation to the moderate climate changes that we are probably already committed to will create substantial markets for new products such as new varieties of seeds for agriculture or high efficiency air conditioning and new public water supplies, that will be required to adapt to these changes. If I am correct, we may eventually see the day when industry pools funds for joint venture basic research on climate change under the Federal Co-operative Research and Development Act of 1984 because it must do so in order to plan its investments!

Consider next another aspect of the cost of capital: the liquidity of freedom with which funds can be transferred from one investment to another. Illiquidity is a real part of the cost of capital and a severe hindrance to investment in small startup businesses. Suppose I need cash before an investment matures. Then I must sell my stock or bond on so-called secondary markets like the New York Stock Exchange. If no such market exists, I will naturally charge a higher interest rate or maybe not invest at all. This restricts all but wealthy individuals and large institutions from investing in illiquid assets.

Here we touch on the issue of productivity. Many of the most significant technical innovations and, according to Professor David Birch of MIT, up to 80 percent of new jobs are created by small businesses. Many of these businesses are startup ventures. The problem is that investments in these ventures are highly illiquid. For example, if I had chosen to invest in the pioneering biotechnology company Genentech in the early 1970's I could not have sold my stock at almost any price until the early 1980's when Genentech made a public offering on the Over-the-Counter Market. I believe that the time has come to do for new technology what we did for housing and student loans when the Congress chartered the Government National Mortgage Association (GNMA) and the Student Loan Marketing Association (SLMA). If the previous models are any indication, the capital available for investment will expand many times over

and the agencies themselves will eventually become private organizations.

The Small Business Committee's proposed Corporation for Small Business Investment which passed the House last year would be a step in the right direction. It appears, however, that the critical need is to develop the equivalent of an off-budget government loan guarantee program in this area. Currently, the volume of loans to small business investment corporations is limited because the government guarantees backing these loans are treated as federal budget expenditures. In a time when we are trying to reduce the federal deficit, this valuable program is restricted just when we need it most.

Therefore I propose that the Congress charter a quasi-governmental agency to make a secondary market in the stocks and bonds of new businesses, particularly those involved in the development of new technology that will reach the commercial market a decade or more hence. This agency should initially be empowered to develop an off-budget loan guarantee program but should be organized so as to facilitate its eventual transition to a self-sustaining private entity.

Finally, let us examine the third ingredient for unifying science, technology and economics: savings. I mentioned earlier that our total savings are much lower than our competitors, particularly Japan. The greatest difference is found in our personal savings which equaled \$83 billion or 2 percent of GNP in 1986. Historically, the average has been somewhat higher. According to Department of Commerce figures, from 1950 to 1986, U.S. personal savings have ranged between 5 percent and 9 percent of disposable personal income but have averaged 6.9 percent of disposable income or 4.8 percent of GNP. By contrast, in West Germany, personal savings averaged 14.4 percent of disposable personal income between 1970 and 1985 while in Japan they averaged 19.9 percent in the 1970's but have declined to 15.7 percent in 1985. There is some reason to believe that Japan's very high rate was an accident that occurred because of its relatively youthful population in the years after World War II. Thus, as Japan's population ages its savings may level off closer to savings in West Germany. That is the level of savings we must try to achieve if we are to regain our competitiveness. To give an idea of what this means in dollars, 7.5 percent of our disposable personal income (the difference between the U.S. and West Germany) equals \$222 billion or nearly two and three-quarters times the \$83 billion we individually saved in 1986.

In order to understand how it might be possible to raise personal savings, it is essential to recognize that most of the money people save is for their retirement. According to the Employee Benefit Research Institute (EBRI) private and public pensions currently hold about \$2 trillion in assets and are growing rapidly. By way of comparison, at the end of 1986 the market value of all the shares on the New York Stock Exchange was \$2.2 trillion; mutual funds in 1985 only had a value of \$495 billion.

But by far the largest form of savings is, potentially at least, represented by our Social Security system. Currently, it is operated on a pay-as-you-go basis as an intergenerational income transfer system. Payroll taxes collected today are paid out as benefits a few months later. Still, to the individual or corporation paying these taxes they represent savings for the future. The sums are very large. In 1987, the retirement



income and disability programs of Social Security (OASDI, not Medicare or HI) are expected to take in \$226 billion and pay out \$209 billion. Clearly, if we could devise a way to convert these implicit savings to true investments in the future, our savings and investment posture would change significantly. Thus I want to call your attention to the fact that in 1987 these figures indicate a small surplus of \$15 billion for these Social Security Trust Funds.

As a result of the 1983 Social Security tax reforms, these surpluses will become much larger over the next thirty-five years. Using figures derived from projections by the Social Security Trustees, a 1986 study by the Congressional Research Service of the Library of Congress forecasts that by the mid-1990's annual surpluses will be \$68 billion. At their peak in 2010, the annual surplus will be \$169 billion. Total accumulated assets will peak at \$2.5 trillion in 2022: more than our total federal debt today! These figures, by the way, are all in constant 1986 dollars so the actual sums are expected to be much larger.

There is a problem, however. These surpluses do not constitute real savings. When Social Security payroll taxes are deposited in the Treasury, the Social Security Trust Funds are given a credit, a non-marketable IOU, by the Treasury. These IOU's are then redeemed when Social Security benefits are paid. Surpluses in these trust funds are simply held by the trust funds as long-term securities but they are accounted as a reduction of the federal budget during the year in which they are received. You may be interested to know that almost half of the projected reductions in the federal deficit that are required by the Gramm-Rudman Act will be coming from these surpluses in the Social Security trusts. Using figures supplied by the Congressional Budget Office, a recent article in the *National Journal* reported that in fiscal year 1987, before counting the surpluses in all the Social Security Trust Funds (including Medicare), the federal deficit is expected to be \$191 billion; after subtracting these trust surpluses of \$19 billion, the federal deficit on the books will be \$174 billion. By fiscal year 1992, without these trust funds surpluses, the federal deficit is projected to be \$160 billion, but the surpluses in these accounts are expected to be \$75 billion leaving an apparent federal deficit of only \$85 billion. These figures, incidentally, do not include unspent surpluses in other trust funds like the highway fund or the Airport and Airway Trust Fund which reduce the book value of the federal deficit even further.

Eventually, these debts must be paid. Accounting artifices like these reflect the Congress' inability to face up to the true revenue needs of the federal government and to decide the real priorities for government spending. Worse, today's workers, who believe they are saving for retirement, are being cheated. Many of my younger constituents sense this. They have told me of their worry that Social Security will not be financially sound then they retire.

The IOU's held by the Social Security Trust Funds earn low rates of interest that in no way measure up to the performance of private and state pension funds. When planning, the Social Security Administration assumes that its securities will earn between 5 percent and 6.5 percent compounded semi-annually. In recent years, according to EBRI, private trustee funds have achieved total returns averaging 17.3 percent over the last five years. After adjusting for infla-

tion this equals a real return of 13.5 percent. Index funds based on the Standard and Poor's 500 index and the Lehman Corporate/Government Bond Index have performed similarly.

In sum, these surpluses are not being invested to make our economy healthy and competitive in the future. Instead they are a gigantic consumer loan at rates no credit card company would dream of accepting. The situation was succinctly stated in the *National Journal* article to which I referred earlier:

"The bad news is that when the surpluses are used to reduce the deficit, the net effect is to save nothing. Instead as Barry P. Bosworth, another economist at Brookings put it, we just move money from one pocket to another, using the excess payroll tax to finance general government."

"People think the money (trust fund surpluses) is being put away for them," Bosworth said. "And it is. But then it's borrowed back by the same damn people who put it in."

If we continue our current practices, we will also face the very questionable situation where one agency of the federal government, the Social Security Administration, will own most of our national debt. Is that really what we want?

The good news is that, if we change the law to require that these surpluses be invested in the full economy wide range of public and private securities, then we would have ample funds for investment in new technology, in education, in research and public works to make our economy prosperous and competitive. And Social Security would be able to deliver the income to provide a secure retirement for today's workers because they invested in jobs for their children through these surpluses.

I want to emphasize that the proposed change in investment practices would not involve the Social Security Trust Funds in an orgy of speculation on the stock market. Rather, the investment portfolio would reflect the conservative holdings of market indices like the Standard and Poor's 500, the Dow-Jones and the Lehman Corporate/Government Bond Index. A small percentage, similar to that of private pension funds would be invested in more risky startup ventures in new industries. Some of those investments might take the form of reinsurance for Small Business Investment Corporations thus providing the off-budget quasi-governmental loan guarantees to broaden secondary securities markets in new businesses that I discussed earlier. Investments in new ventures would be more than balanced by positions in ultraconservative fixed income securities like state, local and federal government bonds.

No, the risk is not in making broad investments in the public and private sector; rather, the risk is that we will not make them, that we will not fund our national retirement system on the future of the American economy when it must pay off if we are to deliver the promise of Social Security.

The new funds available for investment would be enormous and would match the scale of investment necessary to retool American industry to the Japanese level that I discussed earlier. Social Security retirement benefits could grow in parallel with increases in our productivity but obviously cannot exceed its growth over the long-term unless one wants to redistribute income away from tomorrow's workers and thus reduce our children's standard of living. This constraint is also true today

since a rise in benefits under a pay-as-you-go system is equally founded on productivity growth if the system is to keep the intergenerational promise it makes today's workers.

The even better news is that, if the Social Security investments I am proposing even approach the returns achieved by private and state pensions, then it may be possible to repeal all Social Security payroll taxes for retirement and disability insurance thirty-three years from now. After the payroll taxes are repealed benefits would be paid from the income and capital gains earned by the accumulated assets. Today these taxes are the largest and most regressive taxes paid by the average American. They are decidedly anticompetitive because they substantially increase the cost of the goods and services we produce by about 15 percent.

Using the Social Security Administration's economic assumptions contained in its preferred II-B projections, preliminary calculations by my staff indicate that, if total returns from the surpluses in the OASDI trust funds equal or exceed 10 percent annually, then, in the year 2020, these trust funds would be self-sustaining indefinitely. Benefits, as I said, would be paid from the investment returns and the present payroll taxes would be repealed permanently. In the interim, benefits would come from these taxes as now. The necessary returns are well below the real returns of 13.5 percent achieved by private trustee pension plans over the last five years that I mentioned earlier. However, the required returns are high and demand that our economy realize the same high levels of productivity growth that are also required for us to be competitive in the world economy.

Therefore, to increase savings and investment, I propose:

1. That the organic act of the Social Security system be amended to establish a National Retirement Account (NRA). The NRA would be capitalized by the surpluses in the OASDI trust funds and would invest these funds on the open market in public and private securities, including both debt and equity. A full range of investments would be permitted ranging from startup ventures to blue-chip debt and equity so long as the portfolio was consistent with the Employee Retirement Security Act of 1974 (ERISA) now applicable to public and private pension plans.

2. That payroll taxes for the Old Age Survivors and Disability Trust Funds (OASDI) be repealed in the year 2020 when the National Retirement Account become self-sustaining.

3. That it should be a national priority to re-examine medical care costs and financing with the objective of developing a long-term self-sustaining Hospital Insurance Trust Fund (HI) that will permit repeal of HI payroll taxes. HI or Medicare is the third component of Social Security. The HI trust fund currently runs a surplus but is projected to have substantial deficits beginning in 1995. It could become insolvent in the year 2002.

4. That the open market activities of the National Retirement Account should be closely co-ordinated with the open market purchase and sale of securities by the Federal Reserve. This mandate complements the Federal Reserve mandate proposed earlier to set lower reserve ratios for long-term capital investments by Federal Reserve system member banks. Open market activities permit much more selective management of

money supplies than is possible through the manipulation of reserve ratios alone.

5. That the Trustees of the National Retirement Account be broadened from the present Social Security trustees to include members of the general public. These public members should include, at minimum, representatives of the scientific and technical communities, labor unions, and small business in addition to representatives of the banking, pension management and investment communities.

6. That the National Retirement Account should be divided into separate regional accounts corresponding to the regional Federal Reserve Banks. These regional accounts would be under the direct supervision of regional trustees operating within policy guidelines set by the national trustees similar to the situation of regional governors in the Federal Reserve system.

7. That regional and national trustees would be responsible for setting investment objectives and policies as well as monitoring portfolio performance; however, actual investment in specific securities would be carried out contractually by private sector professional investment managers just as is the case for private and public pensions today.

8. That the investment objective for the National Retirement Account should be to maximize the total return on investment during the horizon from twenty to fifty years in the future. To assist in the achievement of that objective, there should be established a National Foundation for Research in Technology and Long-term Capital Investment under the direct supervision of the Trustees of the National Retirement Account. Initial authorized funding should be \$20 million annually to be derived from the principal contributions to the NRA.

The purpose of the foundation is to support fundamental basic and applied economic and technical research and education on:

a. forecasting long-term technical and environmental developments expected to occur within the Account's investment horizon and the evaluation of their economic impacts.

b. understanding the process of technological and managerial innovation as well as estimating the market penetration time for innovations.

c. curricula and fellowships for training in long-term investment management at the nation's business and technical colleges and universities.

d. savings, investment, banking and regulatory policies that will permit the creation of long-term capital markets capable of placing incentives or a high present value on investments expected to mature in the period twenty to fifty years in the future.

e. international economic policies for the co-ordination of long-term monetary management, currency exchange rates, and capital investment.

The National Retirement Account that I am proposing would in many ways be similar to the familiar Individual Retirement Accounts (IRA's) permitted individuals today except that it would be practical for every member of our society not just those who can afford to save under current economic conditions and wage payment systems.

Fifty years ago our country decided, and indeed every industrial society has decided, that it needed a social program to provide a basic non-poverty income for every elderly person. We learned that it made neither economic sense, nor was it the sign of a

caring and just community to allow its elderly to languish in poverty like spent cartridges on a battlefield of the day before. But to rely solely on voluntary contributions for this program, as contemplated by some who would privatize Social Security, would place those businesses and individual employers who live up to their responsibilities at an unfair disadvantage vis a vis those who tried to beat the system by not contributing. Therefore, to provide the income for our national retirement system, we instituted a system of mandatory collective savings in the form of payroll taxes.

I am not proposing to change the basic premises of that system but I am convinced that we must change the manner in which its goals are achieved if we want to ensure its ability to deliver what it promises each and every one of us. Economic conditions have changed. Today we recognize that we cannot pay benefits in the future if we do not make the necessary investments now. Therefore my proposal would reorient the operation of the Social Security system more in line with the practice of private pensions and insurance plans. Social Security is, after all, a form of social insurance. Like any insurance it only remains viable by investing the premiums it collects until the day when claims are presented some twenty to fifty years in the future in the case of life insurance. Indeed it would not be possible over the long-term to make insurance premiums low enough for the average person to afford if insurance plans operated on a day-as-you-go basis. Every state insurance regulator recognizes this in setting insurance rates. We must do the same for Social Security if the contributions are to be affordable by our people and businesses and if we want to have a competitive, dynamic economy from which to pay our claims when we retire.

I have outlined for you my program for science, technology and economics in the 1980's. It addresses:

1. managing cost of capital consistent with rapid investment in technological and managerial innovation through the establishment of a national capital banking system distinct from short-term banking for daily commerce, inventories, and working capital.

2. the co-ordination of science, technology and economic policies between the Council of Economic Advisors and the Office of Science and Technology Policy.

3. the stimulation of productivity growth by providing greater liquidity of investments in emerging industries through the creation of secondary securities markets for those industries.

4. the need to increase the supply of savings and capital for investment through the creation of a National Retirement Account in order to assure solvency of the Social Security system in the twenty-first century.

We have an unparalleled opportunity. It will only last for the next four or five years. If we do not act soon, we face the very real prospect that, for the first time ever, our children will be the first generation of Americans to be less well educated and less prosperous than their parents. And we shall lose, for then our children will be unable to support us as we retire.

Before ending there is one more issue that I must address. Earlier I suggested that it might be undesirable for one agency of government, the Social Security Administration, to own most of the national debt. The same criticism could equally be leveled at my proposed National Retirement Account for Social Security. Do we really want the

federal government to own nearly half the public and private capital of our nation as it might under this proposal?

In our country there is a strong antipathy to such large government ownership of our wealth. True, there have been many worthy public investments, such as the Tennessee Valley Authority, that took the lead in economic development before private capital could or would commit itself. Even those paradigms of free enterprise and entrepreneurship, the venture capitalist and our unique venture capital markets, were a product of the Federal government's sponsorship of Small Business Investment Companies in the 1950's. I strongly support such government initiatives and will continue to do so.

Yet, if the private sector can be faulted for a short-sighted obsession with the bottom line, so also, government is too often limited by the biennial and quadriennial timeset of elections or the bureaucratic blinders of agency missions and appropriations categories.

In this bicentennial year of our constitution, it is appropriate to recall the words of James Madison in the 10th Federalist paper:

"It is of great importance in a republic not only to guard against the oppression of its rulers, but to guard any part of society against the injustice of the other part.

"If men were angels, no government would be necessary."

No branch of government and no element of society should become so powerful as to stifle the others. The very capacity of our society to foresee and adapt to the unparalleled changes we confront in the coming generation require that the innovator, and the seer with a vision for the future have the right and the means to speak out, in our economy no less than in our polity. We would lose this essential insight and premise of our constitution were a federal National Retirement account to own so large a portion of our nation's wealth.

Madison was the author of our constitution, our form of government. Jefferson knew the source of our vision, a vision which must change with every generation. He wrote:

"I know of no safe depository of the ultimate power of society but the people themselves."

Therefore I propose that every participant in the Social Security system be a stockholder/owner of the National Retirement Account with the power to elect its public trustees after their nomination by the President with the advice and consent of the Congress.

These are my proposals for a prosperous economy in which we benefit ourselves by saving and investing for our children. This is my hope for the next generation of Americans: that we shall bequeath them a society where every man, woman and child has a stake in the future of our Earth because every individual has a share in the wealth of our nation. A share attained not by dividing what we already have but by creating new wealth as we invest in our imagination and ingenuity.

Thank you and good evening.



**A TRIBUTE TO THE JOHN R. PAYSINGER FAMILY**

**HON. MARILYN LLOYD**

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 27, 1987*

Mrs. LLOYD. Mr. Speaker, I am pleased to commend the John R. Paysinger family of Cleveland, TN, who are one of six families being honored in the Fifth Annual Great American Family Awards Program today at the White House. The Paysingers are a model family and are tremendous assets to their community. Parents Marge and John have served on the Boards of the American Red Cross and the American Cancer Society. Mr. Paysinger is a past president of the Bradley County American Cancer Society. Both have received numerous professional awards and honors. Their three children, John, Jr., Nancy, and Jane have followed in their parents' community service-oriented footsteps. The Paysingers are an inspiration to our Nation's families. I wish them much future success.

**SUPPORTERS OF H.R. 2470, THE  
MEDICARE CATASTROPHIC  
PROTECTION ACT**

**HON. FORTNEY H. (PETE) STARK**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 27, 1987*

Mr. STARK. Mr. Speaker, I would like to make special mention of a number of Members who have been most supportive of H.R. 2470. These Members had asked to become cosponsors of this legislation, but due to delays in my office, we were unable to include them before the bill was finally reported from committee. I would like to thank these Members, Messrs. SKAGGS, WILSON, STANGELAND, FLAKE, LANTOS, and TAUZIN and Ms. PELOSI for their support of the seniors of this country and for their help and interest in this legislation.

**TRIBUTE TO THE NATIONAL  
FEDERATION OF HOUSING  
COUNSELORS**

**HON. JAMES A. TRAFICANT, JR.**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 27, 1987*

Mr. TRAFICANT. Mr. Speaker, I rise at this time to pay tribute to the National Federation of Housing Counselors. This remarkable organization recently held their 14th annual conference here in Washington, DC.

Mr. Speaker, while the efforts of the Congress to deal with housing issues gain most of the headlines, the real effort to assist struggling people to gain adequate housing is being made by the countless number of housing counselors across the country. These are the people who day in and day out deal with people who have nowhere else to turn. These are the people who find real life solutions to

the pressing housing needs of lower income Americans.

As a former drug counselor I know and understand the type of problems and pressures housing counselors have to deal with on a daily basis. Housing counselors have been responsible for finding housing for the growing number of homeless people in America. They have also been extremely effective in helping struggling families to keep their homes and avoid foreclosure.

The issue of stopping the growing number of foreclosures is one of special interest to myself. As sheriff of Mahoning County, OH, I went to jail for failure to sign foreclosure papers on several unemployed steelworkers. Since coming to Congress in 1985, I have tried to develop a legislative remedy to this serious problem. Earlier this year, I offered an amendment to H.R. 4, the Housing and Community Development Act of 1987. My amendment, which was approved by the House on a voice vote, would provide \$30 million from the Department of Housing and Urban Development [HUD] to HUD-approved nonprofit housing counseling organizations. Under my amendment, housing counseling agencies would be able to expand their counseling services to a wider range of homeowners because the amendment would allow HUD funds to be used to counsel homeowners with any type of mortgage.

Mr. Speaker, my amendment would provide much needed assistance to housing counselors across the country. I am proud to play a role, however small, in ensuring that the Federal Government expand its role in helping housing counseling organizations. My amendment will allow these organizations to do what they do best: Prevent foreclosures. I sincerely hope this amendment is retained in the final version of the housing bill.

Mr. Speaker, the National Federation of Housing Counselors is to be commended for its longtime commitment to providing all Americans with decent housing. This is a fine organization run by some very talented people. Federation president Joyce Whitaker is to be congratulated for the dedicated work that has been done by the federation to promote the causes of the underprivileged in our society. I know that the federation will continue to help needy Americans and that they will continue to speak out in Washington for an increased Federal commitment to low-income housing.

**IN SUPPORT OF THE CONSUMER  
PRODUCTS SAFE TESTING ACT**

**HON. MEL LEVINE**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 27, 1987*

Mr. LEVINE of California. Mr. Speaker, I rise today to urge my colleagues to support H.R. 1635, the Consumer Products Safe Testing Act. This legislation will discourage the use of the lethal dose-50 or LD-50 in testing the safety of consumer products.

The lethal dose 50 test consists of administering a substance in increasing doses to a group of animals until 50 percent of them die within a specified period of time. This grue-

some test is used to determine relative toxicity of various compounds. Sadly, the results of the LD-50 test are not highly reliable. Not only is this test cruel and inhumane to animals, it is also senseless. There are other, more humane alternatives available. Computer modeling can be used to ascertain the potential toxicity of a substance. Tests using bacteria can be used to detect toxicity and carcinogenicity. And in vitro tests using human tissue cultures can effectively determine the effect of a substance on the human body. Not only do these tests decrease the use of animals in testing, but they cost less, and provide the necessary information for the protection of humans exposed to the substance in question.

The FDA does not require the use of the LD-50 test, and is looking for more reliable and humane testing alternatives. Unfortunately, the LD-50 test still continues to be widely used, partially due to industry confusion about which tests are required by the FDA.

H.R. 1635 requires Federal agencies to review and rewrite regulations so that they discourage the use of the LD-50 test, and instead, specify other tests that can be used.

H.R. 1635 is important to both protecting animals from abuse and exploitation, and to providing the safest consumer products possible. I urge my colleagues to cosponsor and support this legislation.

**SENATE COMMITTEE MEETINGS**

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, July 28, 1987, may be found in the Daily Digest of today's RECORD.

**MEETINGS SCHEDULED**

**JULY 29**

9:30 a.m.

Appropriations

Business meeting, to resume consideration of subcommittee allocations of budget outlays and new budget authority allocated to the committee as contained in H. Con. Res. 93, setting

forth the congressional budget for the United States Government for fiscal years 1988, 1989, 1990, and 1991.

S-128, Capitol

Commerce, Science, and Transportation  
To hold oversight hearings in conjunction with the National Ocean Policy Study to examine plastic pollution in the marine environment.

SR-253

#### Veterans' Affairs

Business meeting, to mark up S. 6, Veterans' Health Care Improvement Act, S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 1443, VA Medical Inspector General Act, S. 1444, VA Assistant Inspector General for Health Care Quality Assurance Review Act, S. 1464, Veterans' Beneficiary Travel Reimbursement Restoration Act, proposed Veterans' Readjustment Counseling Preservation Act, proposed legislation providing for disability payments based on nuclear-detonation radiation exposure, and other related measures.

SR-418

10:00 a.m.

Banking, Housing, and Urban Affairs  
To hold oversight hearings on the combination of banking and insurance activities.

SD-538

#### Labor and Human Resources

To hold hearings on the nomination of Dorothy L. Strunk, of Maryland, to be Assistant Secretary of Labor for Mine Safety and Health.

SD-430

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

6:00 p.m.

Environment and Public Works Environmental Protection Subcommittee  
Business meeting, to resume markup of proposed legislation to provide limited extensions in Clean Air Act deadlines for areas that violate the health-protective national air quality standards.

SD-406

#### JULY 30

9:00 a.m.

Appropriations  
Foreign Operations Subcommittee  
To hold hearings on proposed budget estimates for fiscal year 1988 for foreign assistance programs.

S-126, Capitol

#### Judiciary

Business meeting, to consider pending calendar business.

SD-226

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

9:15 a.m.

#### Finance

To hold hearings and to consider S. 549, to impose limits on imports of textiles,

textile products, and nonrubber footwear.

SD-215

9:30 a.m.

Banking, Housing, and Urban Affairs  
To hold oversight hearings on the history of the Glass-Steagall Act and its current relevance.

SD-538

Commerce, Science, and Transportation  
Aviation Subcommittee

To hold hearings on S. 582 and S. 876, bills to provide for improved air transportation to small communities.

SR-253

10:00 a.m.

Agriculture, Nutrition, and Forestry  
To hold hearings on S. 1516, authorizing funds for fiscal years 1988 through 1992 for programs of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA).

SD-562

Energy and Natural Resources

Energy Regulation and Conservation Subcommittee

To hold hearings on S. 1382, to improve the Federal Energy Management program.

SD-366

Governmental Affairs

Government Efficiency, Federalism, and the District of Columbia Subcommittee

To hold hearings on proposed legislation to reauthorize the fiscal note process as contained in the federal budget.

SD-342

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To hold hearings on proposed legislation to provide for an increase in funds for and improve the magnet school assistance program and impact aid programs.

SD-430

2:00 p.m.

Agriculture, Nutrition, and Forestry  
To hold hearings on S. 1516, authorizing funds for fiscal years 1988 through 1992 for programs of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA).

SD-562

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on miscellaneous proposals.

SD-366

Labor and Human Resources

To hold hearings on S. 1366, to authorize funds for fiscal years 1988-1991 for population research and voluntary family planning programs as contained in title X of the Public Health Service Act.

SD-430

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To hold joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

6:00 p.m.

Environment and Public Works

Environmental Protection Subcommittee  
Business meeting, to continue markup of proposed legislation to provide limited extensions in Clean Air Act deadlines for areas that violate the health-

protective national air quality standards.

SD-406

#### JULY 31

9:00 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

9:30 a.m.

Commerce, Science, and Transportation  
Communications Subcommittee  
To hold hearings on S. 889, to provide for fair marketing practices for certain encrypted satellite communications.

SR-253

Select on Indian Affairs

To hold hearings on S. 1475, to establish an effective clinical staffing recruitment and retention program within the Indian Health Service.

SR-485

10:00 a.m.

#### Foreign Relations

To hold hearings on Annex V, Regulations for the Prevention of Pollution by Garbage from Ships, an Optional Annex to the 1978 Protocol Relating to the International Convention for the Prevention of Pollution from Ships, 1973, (MARPOL 73-78) (Treaty Doc. 100-3).

SD-419

Governmental Affairs

Federal Services, Post Office, and Civil Service Subcommittee

To resume hearings on S. 508, to strengthen the protections available to Federal employees who blow the whistle on fraud, waste and abuse.

SD-342

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

#### AUGUST 3

9:00 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

#### AUGUST 4

9:00 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran



on matters relating to the Iran/Contra affair.

2172 Rayburn Building

9:30 a.m.

Agriculture, Nutrition, and Forestry Conservation and Forestry Subcommittee  
To hold hearings on the management of inventory properties held by agricultural lenders.

SR-332

Commerce, Science, and Transportation  
Business meeting, to consider pending calendar business.

SR-253

10:00 a.m.

Energy and Natural Resources  
Public Lands, National Parks and Forests Subcommittee  
To hold hearings on S. 1138, to designate certain lands in Nevada as wilderness.

SD-366

Judiciary

Business meeting, to consider pending calendar business.

SD-226

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

#### AUGUST 5

9:00 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

9:30 a.m.

Energy and Natural Resources  
Business meeting, to consider pending calendar business.

SD-366

\*Small Business

Government Contracting and Paperwork Reduction Subcommittee  
To hold hearings to examine the impact of a series of amendments to the Small Business Act as contained in the Department of Defense Authorization Act, 1987 (Public Law 99-661).

SR-428A

10:00 a.m.

Banking, Housing, and Urban Affairs  
To hold oversight hearings on certain financial restructuring proposals.

SD-538\*

\*Small Business

To hold hearings on the impact of section 1706 of the Tax Reform Act of 1986 (Public Law 99-514) relating to

technical service workers as independent businesses.

SR-428A

2:00 p.m.

Energy and Natural Resources  
Water and Power Subcommittee

To hold hearings on S. 641, to provide for the relief of the city of Minot, North Dakota from liability for repayment of a specified sum associated with excess capacity of the Minot Pipeline resulting from enactment of the Garrison Diversion Unit Reformulation Act (Public Law 99-294), and S. 649, to provide for an increase in authorized funds for construction at the Oroville-Tonasket Unit, Washington irrigation project.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

#### AUGUST 6

9:00 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Banking, Housing, and Urban Affairs  
To hold oversight hearings on the limited securities powers for bank holding companies.

SD-538

1:30 p.m.

Energy and Natural Resources  
Research and Development Subcommittee  
To hold hearings on S. 1320, Solar Development Initiative Act, and related proposals.

SD-366

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

4:00 p.m.

Select on Intelligence  
To hold closed hearings on intelligence matters.

SH-219

#### AUGUST 7

9:00 a.m.

Appropriations  
Foreign Operations Subcommittee  
To hold hearings on proposed budget estimates for fiscal year 1988 for foreign assistance programs.

SD-192

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition  
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

#### SEPTEMBER 18

9:30 a.m.

Commerce, Science, and Transportation  
Consumer Subcommittee  
To hold hearings on product liability.

SR-253

#### CANCELLATIONS

##### JULY 28

10:00 a.m.

Agriculture, Nutrition, and Forestry  
Business meeting, to consider certain spending reductions and revenue increases to meet reconciliation expenditures as imposed by H. Con. Res. 93, setting forth the congressional budget for the United States Government for fiscal years 1988, 1989, 1990, and 1991.

SR-332

10:30 a.m.

Governmental Affairs  
Business meeting, to consider pending calendar business.

SD-342

##### JULY 29

10:00 a.m.

Energy and Natural Resources  
Business meeting, to consider pending calendar business.

SD-366

Governmental Affairs

Government Efficiency, Federalism, and the District of Columbia Subcommittee

To hold hearings on the status of the abandoned mine lands fund of the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.

SD-342